Fight Hunger, Fight Globalization
An Agenda for Food Security

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1. Executive Summary

The global food crisis that the world is experiencing today is a product of a long process of the subjugation of world's agriculture by capitalist agriculture. This process underwent different phase in the different stages in history that led to the marginalization of peasant farmers in favor of the dominance of capitalist agriculture.

Philippine agriculture's road to Calvary, from being a net exporter of food to becoming the world's largest Importer of rice and a net food importer, portrays very vividly the process and the impact of subjugation of the Philippine agriculture by capitalist agriculture and the impact of the hegemony of the capitalist regime worldwide.

The concentration of landownership, in the Philippines traces its roots in the Spanish colonial period where vast tracts of land were came under the effective control and ownership of the Spanish colonial masters. These tracts of land were cultivated to produce export crops for the global market during the colonial period. Traces of this period still persist up to now in some parts of the country. The ownership and control of these vast tracts of land were transferred to the local landed elite in the post Spanish colonial period. This skewed distribution of land persisted all throughout the history of the country which resulted in rural unrest. Land reform programs, directed at quelling the insurgency in the countryside were implement be different administrations starting from the post war period and up to the present.

The introduction of the hybrid crops and high-yielding varieties under the Masagana 99 program during the Marcos period has effectively rendered the Filipino farmers dependent and under the control of capitalist agricultural companies who produce farm inputs and machineries. While agricultural production grew under what may be considered as the “developmentalist” period, the benefits of such growth did not, by and large, improve the conditions of the small farmers and only benefitted the landed elite and the capitalist agricultural companies. Philippine agriculture was transformed into an industry that is dominated by monocropping and dependent on imported seeds, fertilizers and pesticides.

The introduction of the structural adjustment program in the Philippines only worsened the state of Philippine agriculture and paved the way towards becoming a net importer of food. Starving of government support and subsidies due the reduction of government spending and the faithful debt servicing, following the conditions of the structural adjustments, Philippine agriculture became anemic.

Philippine agriculture, likewise, suffered from the prioritization given to industrialization. The evasion of landlords to agrarian reform coverage aggravated

by the lack of a comprehensive land use law, resulted in the conversion of large tracts of prime and productive agricultural lands, those with irrigation facilities, into industrial, residential and other uses. Moreover, the government's promotion of export crop production in order to increase dollar earnings, have also resulted in the decrease in the size of land devoted to food production. The Philippines top agricultural exports include coconut oil and desiccated coconut, fresh bananas, fresh pineapple and pineapple products and sugar. Most of these products employ plantation-type agriculture and owned by transnational corporations, big agribusiness corporations and big landlords.

The entry of the Philippines into the capitalist global order and its membership in the World Trade Organization and its Agreement on Agriculture, have worsened the already deplorable state of Philippine agriculture. Philippine agriculture, starved of government support and rendered vulnerable by minimal protection due to the radical reduction in tariffs and quotas, now have to compete with highly subsidized cheap foreign agricultural products in its home front.

The active promotion of GMO's by the Philippine government, despite the threats on health and negative impact on the environment, is also threatening the Filipino farmers, most of whom are already dependent on HYVs and chemical farm inputs produced by foreign corporations. The entry of GMOs in Philippine agriculture will only worsen such dependency.

The implementation of agrarian reform, which is the backbone of rural development, has been, at best paid lip service to. Originally targeted to be accomplished within a ten-year period, lack of political will on the side of the government and the stiff and at times violent resistance by the landlords, agrarian reform implementation has yet to be completed even after more than 20 years. Even those who were fortunate enough to become agrarian reform beneficiaries have to contend with the lack of government support, poor rural infrastructure and stiff competition from cheap food imports.

The agriculture sector, thus the country's food security, is threatened by the government's active promotion of agro fuel production. Millions of hectares are targeted for feedstock production. In fact, hundreds of thousands hectares of land are already committed to foreign investors. Landlord resistance against agrarian reform is expected to worsen especially in the sugar and coconut lands because of this.

The history of Philippine agriculture, without a doubt, shows its adherence to the capitalist agricultural paradigm. Ensuring food security, if at all, is a secondary concern in the governments setting of the directions of the agricultural sector.

2. Table of Contents

3. Background Context of State of Food Insecurity

Food Security Defined

The Food and Agriculture Organization (FAO) of the United Nations defines food security as:

> "A situation that exists when all people at all times have physical, social and economic access to sufficient, safe and nutritious food that meet their dietary needs and food preferences for an active and healthy life (FAO, 2002).

According to Cabanilla, the definition of food security has evolved throughout years:

> 1974. In the 1974 food crisis, food security was referred to as "Availability at all times of adequate World food supplies of basic foodstuffs to sustain a steady expansion of food consumption and to offset fluctuations in production and prices. This reflects the global concerns in 1974 on the volume and stability of food supplies.
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> 1983: The FAO definition of food security at this time was "Ensuring that all people at all times have both physical and economic access to the basic food that they need". This new concept includes securing access by vulnerable people to available supplies. Attention was called to the balance between demand and supply side of food security equation.
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> 1996: In the FAO World Food Summit, the definition changed to "Food security, at the individual, household, national, regional and global levels (is achieved) when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences. (Cabanilla, 2008)

Global Food crisis

The year 2008 was called the "Year of Global Food Crisis." Millions among the vulnerable population around the world are facing starvation caused by food shortages and skyrocketing prices of food commodities. Kate Smith and Rob Edwards of the Herald Scotland said in their special report in March 2008 said that according to World Food Programme officials "more than 73 million people in 78 countries that depend on food handouts from the United Nations World Food Programme (WFP) are facing reduced rations this year." According to the WFP

increasing scarcity of food is the biggest crisis looming for the world. The report stated that the UN Food and Agriculture Organization has warned that "rising prices have triggered a food crisis in 36 countries."

The gravity of the food crisis was dramatized by the report of the India Today magazine that around 25,000 Indian farmers who have been drawn to despair by grain shortages and increasing farm debt have taken their own lives in 2007. The World Bank reported that the global food prices have increased by 75% since 2000 and that the increase in the price of wheat has reached the 200% mark. The global upward spiral of the prices of grain has also caused the prices of meat from livestock to shoot up.

According to Greg Barrow of the WFP, the profile of the new hungry population is no longer limited to the rural population, but has already affected even the urban population. Even first world countries like Scotland are being threatened by hunger. Farmers in Scotland have warned that food security has become an issue for the first time since World War II.

In its 2008 edition of The State of Food Insecurity in the World, the Food and Agriculture Organization (FAO) stated the world hunger is increasing. It estimated that the total number of hungry people in 2007 has reached 923 million, up by moan 80 million from the 1990-92 totals. In the same report, the FAO stated that the most rapid increase in chronic hunger was experienced in the period between 2003-2005 and in 2007. In 2007, the provisional data the FAO showed an increase of 75 million undernourished people were added to the 2003-05 figures. It pointed to the high food prices as the major factor that drives people into the state of food insecurity and is posing a threat to the long term global food security (FAO, 2008).

The Philippines, like most countries around the world, is also experiencing a food crisis. Rice which is a staple food for Filipinos has suffered a steep climb in retail prices early in 2008.

> "A global rice-supply crisis is unfolding, and the Philippines, today the world's top rice importer, will be no comfort zone.

In 2006, every Filipino consumed 118.7 kilos or 2.4 sacks of rice a year. That amounts to a daily per capita rice consumption of 325.21 grams per citizen. The Philippines produces about 90 percent of the rice it needs but also today needs to import up to 2.1 million metric tons, to be able to maintain its two-month inventory. Over the last three months, that inventory has thinned by 20 percent." (Mangahas, 2008)

The Philippines have experienced the skyrocketing of rice prices , trading to a much as $700 (up from $500) per ton, the highest level in 20 years. Mangahas said that within the period from January to March 2008, the price of rice surged by as much as 43%.

The effect of the food crisis in the Philippines is hunger and consequently malnutrition among the most vulnerable sectors. The Food and Agriculture Organization (FAO) reported that 16% of the Filipino population is undernourished (FAO, 2006). While the Global Hunger Index (GH[1]) of the Philippines has improved through the years, its 2009 GHI of 13.2 remains in the level classified as "serious." The barely 6-point reduction from its 1990 GHI of 19.0 is a very slow progress within a period of almost two decades (Klaus von Grebmer, 2009).

4. An Analysis of the State of Food Insecurity

Rapid Population Growth

Different organizations, institution and individual academics point to a number of factors that led to the current state of global food crisis. Various observers agree that the rapid increase in the world's population has created extreme pressure on the supply of food.

In her March 18 article published in the Philippine Center for Investigative Journalism (PCIJ) blog, Malou Mangahas wrote:

> "But from country to country feeding on the staple grain, the context remains the same: galloping population growth rate has unduly stepped up the demand for rice, even as production has remained low or stagnant.
>
> Because of the supply crisis, in a series the world's major rice producers have decided to either ban (China and Thailand) or restrict exports (Vietnam, India, Egypt), further reducing the volume that could pass around importing countries."
>
> Just three months gone in 2008, the figures seem alarming indeed. The global rice demand is estimated at 423 million tons, or more than the current season's record harvest of 420 million tons, according to the U.S. Department of Agriculture." (Mangahas, 2008)

[1] GHI is a tool adapted and developed by the International Food Policy Research Institute (IFPRI) to measure the state of global hunger. The GHI is computed using the following formula: GHI = (PUN + CUW + CM)/3; where PUN is the proportion of the population that is undernourished (in %), CUW is the prevalence of underweight in children under five (in %), and CM is the proportion of children dying before the age of five (in %).

The Word Bank predicts that the global demand for food will double in 2030 as the world population is expected to by 3 billion in 2050.

Climate Change

The WFP points out that climate change is one of the major factors that contributes to the global food crisis.

> "Knowledge about the impact of climate change on hunger has evolved significantly over the last 15 years. Initial studies1 concluded that decreases in yields of wheat, rice and maize caused by increased heat and water stress would be greatest in developing countries, and projected these decreases to be 9 percent to 11 percent. Consequent increases in global prices were projected at 25 percent to 150 percent and the related increase in hunger was estimated at 10 percent to 60 percent." (Martin Parry, 2009)

The report further states that climate change has critical impact on food security in terms calorie availability and the number of malnourished children. "Child malnutrition will be affected by climate change as a result of impacts on food production, prices and consumption." (Martin Parry, 2009)

In the Philippines, the calamity and state of destruction brought about by a series of typhoons and tropical storms have brought to public attention the global problem of climate change. Last October, Tropical Storm Ondoy (Ketsana) poured one month's worth of rainfall within less than 24 hours causing massive flooding in Metro Manila and the surrounding provinces. Following behind it was Typhoon Pepeng which hovered over Northern Luzon for almost a week bringing with it non-stop heavy rains and strong winds causing flooding and destruction in the provinces of Northern and Central Luzon. According to the National Disaster Coordinating Council, TS Ondoy affected almost 1 million families and wrecked an estimated PhP 6.699M in damage on agriculture and PhP 4.391M in infrastructure. Typhoon Pepeng also affected almost 1 million families and caused damage worth PhP 6.408M in infrastructure and PhP 20.483M in agriculture. For a country already reeling from the impact of the rice crisis in 2008, the damage in agriculture is heavy. The damage in rural infrastructure and irrigation, which is already deficient because of the cuts in government spending, will be difficult to replace.

According to Greenpeace, signals of climate change is already evident in the Philippines. Among the impacts of climate change are:

> Climate change will exacerbate water shortages in many water-scarce areas of the world. Runoff and water availability may decrease in arid and semi-arid Asia but increase in northern Asia. Fresh-water quality generally would be degraded by higher water temperatures; decreases in agricultural productivity and aquaculture due to thermal and water stress, sea-level rise, floods and droughts, and tropical cyclones would diminish food security in many countries of arid, tropical, and temperate Asia; human health would be threatened by possible increased exposure to vector-borne infectious diseases and heat stress in parts of Asia, and indirectly through changes in the ranges of disease vectors (e.g., mosquitoes), water-borne pathogens, water quality, air quality, and food availability and quality (Amadore, 2005).

Food Crisis and Globalization

In his book, The Food Wars, Prof. Walden Bello offers a comprehensive analysis of the global food crisis. He stresses that the crisis that the world is experiencing today is not just about food production failing to catch up with the increased demand for food brought about by a swelling world population. He argues that the current crisis is very much linked with the development of capitalism that span across centuries.

> "To be fully understood, the global food price crisis of the past few years, which is essentially a crisis of production, must be seen in the context of a centuries-long process of displacement of peasant agriculture by capitalist agriculture." (Bello, 2009)

In the very midst of the global food crisis is what Bello calls as the conflict of "production paradigms" between the dominant capitalist industrial agriculture which is driven by the global market and the "peasant way" or small-scale agriculture, a local market-centered paradigm.

Adherents to the paradigm of industrial agriculture argue that the peasant way disregards the issues of feeding the world population that has increased greatly. On the other hand, advocates of the peasant way argue posit that peasants and small farmers remain to be the backbone as they constitute a third of the world's population and two-thirds of the world's food producers. Together they produce a majority of the food that feed the world's rural and urban populace.

Capitalist Agriculture versus the family farm

Bello explains that the process of displacement of the small peasants by the capitalist agriculture began in England over four hundred years ago with the rise of the enclosure movement brought about by the boom in the wool trade. The enclosure movement resulted in the commodification of land and farm labor. This process, which is marked by tremendous he said, almost wiped out the English peasantry.

The colonial era brought about the development of what is called as the First Agrifood regime. Settler colonies encroached on the land of the local population and developed family-sized farms and without the feudal constraints that they experienced in their home countries, these farms were soon penetrated by capital and developed into commercialized farms.

Bello said that that there are two faces of this regime. In the North (US, Canada, Australia and Argentina) settler agriculture that was specialized in the production of wheat and livestock successfully competed and displaced European agriculture in feeding the metropolitan economies of Europe. On the other hand, in what is now known as the global South, the colonial system of production specialized in the production of export crops for the European market such as sugar, tobacco, coffee, tea and cocoa. The colonies in the South, likewise, produce raw materials for European industries such as cotton, timber, rubber, indigo, jute, copper and tin. There is, therefore, a complementarity between the export oriented production of the colonies in the South and the metropolitan economies of the colonial powers in Europe. While food crop production in the South continue to subsist, the peasant economy had to squeeze more production from the continually diminishing land devoted to food production with intensification of labor.

In the Philippines, an example of this is the development of the sugar plantations in Central Visayas and the tobacco plantations in Northern Luzon, among others.
A new food regime, known as the Bretton Woods Agrifood Regime emerged after a period of depression, protectionism and war. Bello said that this came after the end of the first era of globalization and coincided with the post-war international political economy.

“The Bretton Woods system was marked by what John Ruggie called 'imbedded liberalism,' that is an international economic order dominated by national capitalist states that actively traded with and invested in one another while placing market restrictions on these trade and investment relations to ensure that the economic programs, which were based on political and class compromises negotiated in response to the Great Depression, would not be destabilized.” (Bello, 2009)

This food regime is characterized by a system of agricultural and food production that is capital-intensive and industrialized. While the family farm remained to be the major unit of production, the providers of industrial inputs such as machinery, chemical pesticides and fertilizers and the food processing industry "underwent a process of rationalization that was accompanied by a greater centralization and concentration of capital.

A salient characteristic of this food regime was the strong backing rendered to the agricultural producers by their respective states in various forms of subsidies and a host of protectionist state policies – import bans, quotas and high tariffs - against competition. The tolerance for protectionist policies of the states in the South came as an exchange for loyalty to the anti-communist alliance in the Cold War.

Under this regime, export enclaves which are dependent on special trade arrangements with specific countries, emerged in the South. An example of this is the sugar quota arrangement between the Philippines and the United States. As a result of the increasing role of the landlords as commercial actors under this regime, landlord exploitation intensified.

Peasant marginalization was compounded by the industry-first policy adopted by developing countries. Cheap surplus grain from the United States sugar-coated as food aid penetrated the markets of developing countries, subverting their protectionist policies displacing local tradition food products. This was made possible by the developing countries' adaptation of cheap-food policy in line with industrialization.

In response to the growing discontent in the countryside brought about by the marginalization of the rural population, the United States, in collaboration with the local elite adopted a "developmentalist" strategy to quell rural unrest. This developmentalist approach included counter-revolutionary land reform. When the land reform program resulted in the discontent of the landed elite who were important local allies, land reform programs were abandoned and in its place the Green Revolution program was adopted. Under this program, credit was expanded and technical support provided to farmers. Massive rural infrastructure projects such as the construction of farm-to-market roads and irrigation systems were undertaken with the support of the World Bank. Central to the Green Revolution program was the introduction of industrially-produced seeds, fertilizers and pesticides.

In the Philippines, following the declaration of Martial Law in 1972 the Marcos dictatorship imposed land reform. By limiting the coverage to tenanted rice and corn lands, the intent of the Marcos land reform program was very clear – quelling

peasant unrest in the Central Luzon region - whose dominant products were rice and corn and where insurgency was most widespread. This approach was three-pronged – land reform, rural infrastructure building and massive subsidy and lending program for agricultural production and productivity.

As a result of this intervention, rural irrigation more than doubled – from 500 thousand hectares in the 1960s to 1.3 million hectares in the 1980's. Credit, which was attached to the use of high-yielding rice varieties under the Masagana 99 program was extended to farmers.

While the Marcos land reform program was not completed due to the resistance of the landed-elite, Masagana 99 succeeded in transforming the Philippines from a net importer of rice prior to the 70's and early 80's into a net exporter. The benefits of the Masagana 99 program, however, did not reach the small peasants. Much of the investments in the program went to the landlord, relatively progressive farmers and those with irrigation and the providers of farm inputs and the creditors.

Structural Adjustment, Liberalization and Agriculture

The interventions above, instituted by the state with the foreign support, failed to address the concerns of productivity and rural poverty, underdevelopment and unrest. Another wave of interventions followed in its stead – economic liberalization through structural adjustment.

> "Structural adjustment had a number of dimensions and thrusts. It was, for one thing, an ideologically driven enterprise to make economies more efficient, in narrow terms, by liberating market forces from state restraint. In the short term structural adjustment was a program consisting of radical spending cutbacks and trade liberalization designed to allow governments to accumulate the resources and foreign exchange to pay off their massive foreign debt." (Bello, 2009)

The Philippines, together with three other countries – Kenya, Turkey and Bolivia became the guinea pigs in the maiden voyage of this program during the 70s. It later spread to over 90 other countries in the 1990s (Bello, 2009).

The net effect of the stepping back of the state from its interventions during the national developmentalist era – state subsidies, infrastructure building, credit, etc – was the destabilization of the peasant economy that left the peasantry vulnerable to subjugation to the capitalist relations of production. Hence, Northern agribusiness, transnational corporations and capitalist farms gained the upper hand and displaced the peasantry.

Structural adjustment in the Philippines exposed it to international competition in order in order to gain dollars to pay for its foreign debt. Tariffs were lowered from 44% to around 20% hitting the manufacturing industry which was beset be bankruptcies and job losses as a result.

> "The list of industrial casualties included paper products, textiles, ceramics, rubber products, furniture and fixtures, petrochemicals, beverages, wood, shoes, petroleum oils, clothing accessories, and leather goods. The textile industry was practically rendered extinct by the combination of tariff cuts and the abuse of duty-free privileges, shrinking from two hundred firms in 1970 to fewer than ten by the end of the century." (Bello, 2009)

President Cory Aquino, assuming the presidency after Marcos was deposed by people power in February 1986, had the golden opportunity to rescue the Philippine economy from sinking further. She had tremendous popular support and the political environment was ripe with the popular clamor for change and reforms that fueled the People Power uprising. The fact that she was catapulted into power via a peaceful uprising to restore democracy in the Philippines would have made calling for a debt payment moratorium in order to rebuild a devastated economy plundered by the dictator hard to oppose. However, she chose the road promoted by international creditors – the so called "model debtor strategy" by issuing Executive Order 292 which mandates the automatic appropriations of the whole amount required annually for debt payment from the national budget. Thus, instead of providing a lifeline to the fast sinking Philippine economy by increasing government spending, she chose to appease creditor nations and put her trust on foreign aid instead.

Hence, an appalling proportion of the government resources, which was much needed in terms of capital investments to pump prime economic growth, hemorrhaged from the country in form of debt payments. According to Bello in the crucial period between 1986 and 1993, 8-10% of the GDP amounting to around $30 billion was spent for servicing the country's external debt which was, at that time, only at around $21.5 billion. Despite its faithful debt servicing, which required incurring new debts to pay for the old and paid under onerous terms, the Philippine external debt grew to $29 billion in 1993 From 7% in 1980, interest payments grew to 28% of the annual government budget in 1994. This bled away the resources which were badly needed for capital expenditures. This explains why had a stagnant average annual GDP growth rate which was at 1% in the 1980s and 2.3% in the first quarter of 1990 (Bello, 2009).

Agriculture suffered most from the cutbacks in government spending – from 7.5% of the Marcos-time annual budget in 1982 down to 3.3% under the Aquino regime. This resulted in the stagnation of the agricultural sector. Irrigation stagnated at only 1.3 million hectares of a total of 4.7 million hectares of cultivated lands.

In its study of the impact of the structural adjustment program in the Philippine rice industry, the Citizens Assessment of Structural Adjustment – Philippines noted that:

> "Even though it is difficult to identify any clear trend in public expenditure for agriculture, it is noticeable that the expenditures of the Department of Agriculture (DA) in real terms between 1990 and 1998 were always below the level of 1989, with the exception of 1997. It is worth mentioning the case of irrigation expenditures, which fell dramatically in the 1980s and only leveled-off by the mid-1990s.
>
> In any case, it seems clear that government support for rice production has not kept pace with the raising needs of a fast-growing population. The quantitative ceilings on budgetary deficit imposed mostly by the IMF prevented adequate and necessary investments in the rice industry. As a result, the irrigated rice area in the Philippines ranks next to the last in the Southeast Asian region. Only around 48% of irrigable area is irrigated. This can partly explain the fact that the Philippines has the second lowest yield per hectare in East Asia, only ahead of Thailand, but behind China, Japan, South Korea, Vietnam, Indonesia, and Malaysia.
>
> In consequence, the Philippines has become chronically dependent on rice imports.
> Whereas the country was a net rice exporter until 1983, in the period 1984-1992, it has only seen three years of positive trade balance in rice, and since 1993 it has always registered a negative trade balance." (CASA - Philippines, 2004)

The entry of the Philippines into the World Trade Organization in 1995 only made matters worse for the Filipino farmers. As a consequence of membership to the WTO and its Agreement on Agriculture (AoA) the Philippines was required to remove quotas on all agricultural imports and to allow certain volume of these agricultural products to enter the country at low tariff rates.

The Agreement on Agriculture opened the Philippine market to food products that were subsidized in their country of origin creating a stiff competition to the Filipino farmers who are starved of government support because of the reduction in government spending on agriculture. The lowering of the import tariffs also choked

the national government of highly needed resources for capital expenditure. To make matter worse, the Philippine government began a program of unilaterally reducing tariffs from 5% to 0% by 2004. According to Bello between 1995 and 2003, imports grew by 40% but the import duties fell by as much as 35%. Between 1995 and 2003 the value of imports grew by US$ 11.9B (from US$25.5B to US$37.4B) but duty collection fell by PHP23B (from PHP64.4 down to PHP41.4). Thus, the contribution of total customs collection to the GDP took a nosedive from 5.6% in 1993 to a measly 2.8% in 2002.

The combination of the hemorrhage of financial resources going to debt servicing and the clamping down of revenues due to the aggressive tariff reduction in has created a situation of fiscal implosion. This severely inhibited the government's capacity to support the Filipino farmers. Stripped of support and protection, the productivity of the Filipino farmers fell thus, the painful transformation from being a net food exporter to becoming a net food importer and the world's biggest importer of rice.

Moreover, the reduction of government spending on agriculture also gravely affected the implementation of agrarian reform. Stripped of financial resources, coupled with the stiff resistance of the powerful landowning class, land redistribution under the agrarian reform almost came into a halt.

Government continues to cut its support for agriculture despite the rice crisis that the country is experiencing.

> "The latest General Appropriations Bill for 2010 has drastically reduced capital outlays by 40 billion Pesos from the 2009 budget, or by 22%. Specifically, in agriculture, the government reduced its proposed budget for rice programs from Php 10 billion in 2009 to Php 3.1 billion in 2010, even as it declares its objective to attain rice self-sufficiency by 2013. At the same time, it reduced its proposed budget for the corn sector, from Php 1.3 billion in 2009 to Php 658 million in 2010 even though it promised to attain self-sufficiency in corn production by next year." (Bag-ao, 2009)

Genetic Engineering and Agriculture

One of the major components of industrial capitalist agriculture is the use of genetic engineering (GE) in the development of farm inputs. The fast development of genetically modified organisms (GMOs) is one of the main weapons of capitalist agriculture in imposing its dominance over small farm agriculture. With the enforcement of host countries of agricultural programs that are reliant on GMOs, bio-technology was able to penetrate the agriculture sector of developing countries.

The use of bio-technology was rationalized by capitalist agriculture as an effective and efficient means of coping with the gap between agricultural production and the ballooning demand for food. Their solution to the problem of agricultural productivity and the deficiency in the supply of food is the promotion of commercial agricultural farms that use genetically modified seeds. Paul Collier, a staunch advocate of GMOs, criticized small farm production as "ill suited for modern agricultural production" (Collier, 2008). He considers peasant agriculture as part of the problem because they are too concerned of their own food security and are not entrepreneurs or innovators. Thus in his analysis, the reason for the lag of the agricultural food supply was the failure to promote commercial farming, the ban on the use of GMOs by the European Union and the diversion to ethanol production rather than the production of food.

On the other hand, critics of the use GMOs maintain that those who promote this use of bio-technology ignore the concerns of the effects of transgenic foods on the ecology and human health. Bello maintains that GMOs were not naturally selected by the long and slow process evolution for human consumption. GMOs have failed to prove that other populations outside of the target will not be negatively affected by the genetic modification. Much less, they have also failed to show the impact of the use of such technology on bio-diversity.

Moreover, capitalist globalization has given commercial farming and industrialist agriculture a huge advantage over peasant farming which was weakened by anemic state support and stiff competition from low tariffs. The different processes and mechanism established, enforced and promoted by globalization has rendered the environment fertile for the domination of capitalist agriculture. According to Bello, this phase of the development of the global agrifood system, marked by the establishment of the WTO promoted the expansion and hegemony of capitalistic industrialist agriculture. Free trade rules and the monopolistic intellectual property rights which are components of the present global regime provide a perfect environment for the expansion of globally integrated food chains that consist of manufacturers of farm inputs, big farms and big retailers. This system is marked by the rise in the use of bio-technology which threatens to take total control of the physical process of production from the farmer. There is a double standard under this regime where free trade rules are being stringently imposed on the South while the farms in the North continue to enjoy huge subsidies.

Agrofuels and the Food Crisis

Agrofuels, as one of the major types of bio-fuels have been packaged worldwide as an alternative to fossil fuel as a source of energy. According to the Forestry Department of the FAO

> "Biofuels can significantly contribute significantly to reaching the political goals of increasing the share of renewable energy and reducing CO2 emissions from anthropogenic sources." (Daniela Thraen, 2004)

Bio-fuels, according to the Unified Bio-Energy Terminology (UBET) of the FAO, are fuels produced directly or indirectly from biomass. Biomass is defined by the same report as : material of biological origin excluding material embedded in geological formations and transformed to fossil. Agrofuel is defined as biofuels obtained as a product of energy crops and/or agricultural by-products.

However, studies show that the production of agro-fuels has contributed to global food insecurity. According to Bello in 2008, a secret report of a World Bank economist revealed that the agrofuels policies of the US and the EU have gravely contributed to the food global price crisis – 75% of the 140% increase in food prices in the period between 2002 and 2008.

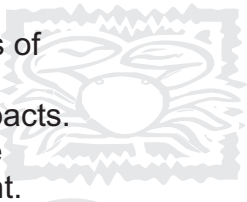
Large biofuels production in the US and EU resulted in the steep drop of land devoted to food production significantly affecting the world supply of food products, thus, raising the prices of food all over the world.

In the US, lands which were set aside for the Conservation Reserve Program (CRP) have been redirected to agrofuel production. The CRP is an environmental program that provides subsidies to farmers to plant grass, shrub and tree in lands with "marginal productivity" and those which are considered as "environmentally sensitive." According to US government estimates, the CRP program prevents the erosion of around 408 million tons of topsoil and sequesters around 21 million tons of carbon annually. The CRP covered around 15.9 million hectares or around 10% of the croplands in the US. However, around 2 million hectares have already been taken out of the program and another 4 million hectares are set to be reverted to production. Likewise, in the EU, the 10% of the croplands that were set aside are gradually being shifted to the production of agrofuels (The Gaia Foundation, Biofuelwatch, the African Biodiversity Network, Salva La Selva, Watch Indonesia and EcoNexus, 2008).

The aggressive US policies on the promotion of agrofuels purportedly geared towards the reduction of use of fossil fuels and to cut down on the use of imported oil, has created a momentum for the agrofuel industry. More and more lands have been devoted to the production of feedstock and the number of agrofuel factories and refineries multiplied rapidly. This agrofuel program of the United States was propped up by what Bello calls the "triad of strict mandates, import tariffs and subsidies."

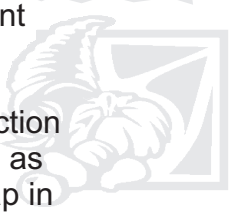
The result of a booming agrofuel industry is the decline in the proportion of land devoted to food production bringing down global food production and raising, in unprecedented levels, the price of food commodities. While this is may not be pointed to as the main reason for the collapsing of the supply of food and the ballooning of food prices, it has contributed significantly to the global food crisis.

While environmental concerns, such as the development of renewable sources of energy, have been used as the main argument towards the promotion of the production and use biofuels, the environment is not immune to its negative impacts. The reduction of the lands covered by the CRP for instance will have a reverse effect in terms of carbon emission, one o the main goals of biofuel development.



> "According to a report by one conservation organisation, the predicted reduction in the CRP in just three states will release as much carbon as putting 15 million new cars on the road. A peer-reviewed study published in 2008 suggests that converting land that has been under the CRP for 15 years to corn for ethanol incurs a "carbon debt" which it would take 48 years to repay." (The Gaia Foundation, Biofuelwatch, the African Biodiversity Network, Salva La Selva, Watch Indonesia and EcoNexus, 2008)

Other negative impacts that massive agrofuel production has on the environment include the impact of monocropping, which is one of the main features of the current agrofuel production has bio-diversity. Massive agrofuel production encourages the conversion not only of agricultural lands devoted to food production but also non-agricultural land such as forests which are environmental valuable as carbon sinks and the displacement of peasants in marginal lands. The giant leap in the number of processing plants and refineries also aggravates the problem of pollution.



Agrofuels in the Philippines

The Philippines wasted no time in jumping into the biofuels bandwagon. In 2006, Republic Act 9367 also known as the Biofuels Act of 2006 was enacted into law. The law establishes

> "… a mandatory biofuels standard which requires a 5% ethanol blend for gasoline within two years, increasing to 10% within four years under the approval of a new National Biofuels Board. A 1% biodiesel blend for diesel is required within 3 months, to be increased to 2% within two years. The amount of bioethanol in gasoline would be increased to 10 percent four

years after the law is passed as determined and recommended by the National Biofuels Board. RA 9367 also zero-rates the specific tax on the biofuels component of blended gasoline or diesel." (World Resources Institute)

In June 2009, the Philippine government has approved the free use of 400,000 hectares of public land in Northern Luzon for up to Pacific Bio-Fields Holdings Plc, a Japanese company, for planting of coconut trees in order to produce coco-biofuel.

Aside from coco-biodiesel the Philippines is also aggressively pursuing other sources of biofuels.

"The Philippine government (GRP) is also aggressively pushing for the cultivation of Jatropha curcas as an alternative bio-diesel source. The GRP has also announced its plan to launch massive propagation and cultivation of jatropha seeds covering around 2 million hectares of unproductive and idle public and private lands nationwide. This effort will reportedly produce about 5,600 million liters of bio-fuel in the next 10 to 12 years and will likely free up CNO for bio-diesel production for the domestic and export markets. The Philippine National Oil Co.-Alternative Fuels Corp. is leading the campaign for the cultivation of jatropha. Technical issues remain, however, in the commercial cultivation of jatropha as an alternative bio-diesel feedstock." (Global Agricultural Infomation Network (GAIN) Report, 2009)

The sugar industry remains to be the leading supplier of feedstock for the production of bio-ethanol in the Philippines. It provides an annual output of more than 2 million MT.

"According to the December 2008 "Roadmap to Bio-ethanol through the Sugarcane Industry Route" prepared by the Sugar Regulatory Commission (SRA), the sugar industry is currently producing more than 10 percent surplus sugar that could supply a percentage of the country's initial needs for bio-ethanol. The SRA adds that cane provides the highest yield of ethanol per hectare compared to other crops (with the possible exception of sweet sorghum, the worth as feedstock of which remains to be proven locally). Only a portion of existing sugarcane areas equivalent to surplus production will be utilized for ethanol production while the rest will be obtained from expansion areas." (Global Agricultural Infomation Network (GAIN) Report, 2009)

In March 2009, Joint Administrative Order No. 2008-1, Series of 2008 – the Guidelines Governing the Biofuel Feedstocks Production and Biofuels and Biofuel Blends Production, Distribution and Sale under RA 9367 became effective. The JAO No. 2008-1 was jointly signed by the Departments of Energy, Agrarian Reform, Agriculture, Environment and Natural Resources, Finance, Labor and Employment, Science and Technology, Trade and Industry, Transportation and Communication, the National Commission on Indigenous Peoples, the Philippine Coconut Authority, the Sugar Regulatory Administration and the National Biofuels Board.

JAO 2008-1 provides the guidelines for the conversion of agricultural land into biofuel feedstock production. While it provides that lands devoted to food production will not be utilized for feedstock production, it does not explicitly exclude lands that are non-negotiable for land conversion under the Rules of Conversion. The administrative order, in effect, extends the coverage of land that can be converted from agricultural production to feedstock production, therefore it only pay lip service to the ban on utilization of land devoted to food production for biofuels. The order further allows those whose landholdings are 25 hectares and below to arbitrarily convert into biofuel feedstock production. This creates a huge hole for landowners to evade agrarian reform simply by shifting to feedstock production especially when lands below 25 hectares comprise a huge bulk of the remaining undistributed lands.

In the Philippines, therefore, not only does biofuel production have a negative impact on the environment and food security of the country, it also compromises the unfinished agrarian reform program. Even the USDA GAIN report of 2009 acknowledges the issues vis-à-vis the implementation of the Comprehensive Agrarian Reform Program.

> "A possible complication exists, however, in the likely approval of a new agrarian reform law. The Comprehensive Agrarian Reform Program (CARP) was set to expire in December 2008 but was extended to June 2009 after a joint congressional resolution (extending the CARP to June 2009) effectively lapsed into law after it was not signed by President Gloria Macapagal-Arroyo. A very sensitive issue in the Philippines, the Philippine Congress is expected to approve a new land reform law very soon and this will likely be the key in whether investments will flow into the opening up of additional lands for additional sugarcane production for bio-ethanol use, and/or for the establishment of the appropriate number of ethanol production facilities." (Global Agricultural Infomation Network (GAIN) Report, 2009)

5. Responses and Positions of Stakeholders including PAKISAMA

A requisite to the development of an agenda towards food security is to visit the critiques on the current dominant development paradigm – the of the capitalist industrial agriculture model.

> "from the perspective of the defenders of peasant agriculture, it is capitalist industrial agriculture, with its wrenching destabilization and transformation of land nature, and social relations, that is mainly responsible for today's food crisis…
>
> …To the critics of capitalist agriculture, it is this devaluation and inversion of real relations into abstract relations of exchange – otherwise known as commodification – that is at the crux of the crisis of the contemporary food system." (Bello, 2009)

To capitalist agriculture, ensuring food security is not the determinant of where investments will be made but the rates of profit.

The quest for food security, therefore, is a quest for alternative paradigms that puts premium on the satisfaction of the needs of the people around the world.

Food Sovereignty

The concept of Food Sovereignty was introduced by NGOs, civil society organizations (CSO) and social movement in the 1996 World Food Summit. The concept was originally developed by Via Campesina, an international network of peasant organizations, in the 1990s to encourage the development of alternatives to the neo-liberal policies being promoted to achieve food security (Windfuhr, 2005).

Food Sovereignty is being developed as an alternative paradigm to the mainstream capitalist model in addressing problems of hunger and malnutrition, promoting rural development, environmental, integrity and sustainable livelihoods.

While the concept of Food Sovereignty is still a developing concept and there are many variations of the concept, the definition by the People's Food Sovereignty Network is most often used:

> Food Sovereignty is the right of peoples to define their own food and agriculture; to protect and regulate domestic agricultural production and

trade in order to achieve sustainable development objectives; to determine the extent to which they want to be self reliant; to restrict the dumping of products in their markets; and to provide local fisheries-based communities the priority in managing the use of and the rights to aquatic resources. Food Sovereignty does not negate trade, but rather it promotes the formulation of trade policies and practices that serve the rights of peoples to food and to safe, healthy and ecologically sustainable production (People's Food Sovereignty Network, 2002).

The core elements of the Food Sovereignty as proposed by Via Campesina have been enriched and expanded by the International Planning Committee for Food Sovereignty (IPC) making it more comprehensive. The core elements of Food Sovereignty are:

- priority of local agricultural production to feed people locally;
- access of smallholder farmers, pastoralists, fisherfolk and landless people to land, water, seeds and livestock breeds and credit. Hence the need for land reform; for the fight against GMOs and patents on seeds, livestock breeds and genes; for free access to seeds and livestock breeds by smallholder farmers and pastoralists and for safeguarding water as a public good to be distributed equitably and sustainably used; and for secure access to fishing grounds by artisanal fisherfolk;
- the right to food;
- the right of smallholder farmers to produce food and a recognition of Farmers Rights;
- the right of consumers to decide what they consume, and how and by whom it is produced;
- the right of countries to protect themselves from under-priced agricultural and food imports;
- the need for agricultural prices to be linked to production costs and to stop all forms of dumping. Countries or unions of states are entitled to impose taxes on excessively cheap imports, if they commit themselves to using sustainable production methods and if they control production in their internal markets to avoid structural surpluses (supply management);
- the populations' participation in agricultural policy decision-making;
- the recognition of the rights of women farmers who play a major role in agricultural production in general and in food production in particular;
- agroecology as a way not only to produce food but also to achieve sustainable livelihoods, living landscapes and environmental integrity. (Windfuhr, 2005)

Bello describes the food sovereignty as one that puts premium to elements such as peasant agriculture, small-scale production and the environment. These elements are not only devalued by capitalist agriculture but are being considered inimical to the development of progressive modes of economic organization.

Food Self-Sufficiency: Making Food Security the Central Goal of Philippine Agriculture

PAKISAMA's advocacy for food self-sufficiency adheres closely to the principles and concepts of food sovereignty. Food self-sufficiency adheres to the principle that ensuring the country's food security must be the central goal of agricultural and rural development. This means that ensuring food security of the country should be the central goal in which all policies and programs of government should be anchored on.

Making food security the central goal of Philippine agriculture means that government should ensure the following:

a. Structures of land ownership should follow the principle of land to the tiller. This means that ownership of agricultural lands must be given to those who shall till the land in order to produce food. The land to the tiller principle is akin to the concept of cultivation of family-sized farms food production.
b. Adequate government investments should be devoted to the countryside in order to ensure that needed rural infrastructure (such as farm-to-market roads, port facilities and other means of transportation, irrigation and storage facilities), government subsidies, support programs and services (such as extension services, rural credit and etc) are in place.
c. Trade policies should not be inimical to the goal of local food production and development.

Ensuring food self-sufficiency not only means increasing the volume of production, it requires the protection and advancement of the welfare of the food producers. This means that ensuring adequate and appropriate programs for health, education, social insurance and others are in place in the rural areas.

Intrinsic to the goal of achieving food security is the protection of the environment. The environment should not be sacrificed in the name of agricultural production. This means adopting and promoting systems of agricultural production that is consistent with environmental protection.

6. Policy /Mechanisms Recommendations

The global food crisis has provided an opportunity to the different sectors and stakeholders to critique the government policies that has brought the Philippines to where it is now – a country with under-developed agricultural sector unable to provide for its own people's food need. This situation is not a recent development, it is a product of a long period of misguided policies imposed by donor and creditor nations and institutions like the IMF-World Bank and the World Trade Organization that a series of administrations of the Philippine government were only too eager to impose on its people. This series of misguided agriculture and trade policies in the past decades have rendered Filipino farmers bereft of government support and protection, confronting insurmountable competition even in our own domestic market. These policies have kept small farmers and much of the population in poverty and have devastated the agricultural sector of the country. The global food crisis has provided an environment to challenge these policies in order to ensure food security and development in the countryside. In response to the current global food crisis, PAKISAMA adopts the following recommendations put forward by Oxfam International (2008):

- Increase public spending on agriculture to generate supply in the short term, and provide support to smallholder farmers in the longer term;
- Properly target farming sector expenditure, both in order to provide the public services required and to reach small-scale producers;
- Invest in social protection programmes to enable citizens to meet their basic needs and protect their livelihoods from potential threats;
- Consider contributing to national or regional strategic food reserves to counteract food shortages and market volatility. Assistance programmes should encourage local communities to design community-based food reserves;
- Adopt trade measures that protect small-scale producers, strategic agricultural sectors, and emerging companies;
- Avoid resorting to trade measures (such as export bans) that could exacerbate the crisis or undermine long-term development prospects;
- Support the creation and strengthening of trade unions, producer organisations, and women's groups in particular, in order that they can take part in the design, implementation, and monitoring of food and agricultural policies, negotiate collectively to bring down the prices of inputs purchased, and obtain better wages and prices for their products;
- Promote access to assets and services, particularly for women farmers. Access to land, water, seeds, fertilisers, technology, loans, infrastructure, and energy is often insufficient, insecure, or too expensive;

- Address the problems of waged agricultural workers, developing and enforcing labour legislation for rural workers and establishing guaranteed employment programmes for people who remain unemployed out of season;
- Build community-level resilience to climate change to ensure that poor producers can benefit from higher food prices and both adapt to and mitigate the impacts of climate change

In addition, PAKISAMA recommends that:

- Agrarian reform implementation should be accelerated from the current its current pace and that annual targets for land acquisition and distribution should be adjusted in order the ensure its completion within 5 years as mandated by RA 9700 or the CARP Extension with Reforms Law;

- Pursue a ban on conversion of agricultural lands to protect lands devoted to food production and to prioritize food production over agrofuel feedstock production;

- Strengthen government intervention in the regulation of the prices of basic food commodities; in particular, strengthen the role of the National Food Authority and expand its capacity for the procurement of rice and corn from Filipino producers at subsidize prices;

- Promote, encourage and support the practice of sustainable and organic agriculture through favorable policy environment and by providing incentives, financial and technical support to farmer practitioners.

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