

Food for Thought and Action

The Pacific Food Summit, 21-23 April, Port Vila, Vanuatu, has brought together leaders from across the Pacific: from governments, industry, NGOs, development agencies, the media and community groups, in recognition that a radical rethink is necessary in order to improve food security for the Pacific. In this article Maureen Penjueli argues that part of the radical rethink requires the region to critically look at the likely implications of a free trade agreement dubbed Pacific Agreement on Closer Economic Relations Plus (PACER-Plus) between the island countries and Australia and New Zealand on food sovereignty.

The assault on traditional farming

For many Pacific Islanders, local food production is not simply essential to good nutrition and health but is essential to our way of life. With Australia and New Zealand pushing for a Pacific trade agreement (PACER-Plus) that will lock in for future generations a system of import reliant food (in)security, to radically rethink food you have to address the issue of PACER-Plus.

The pursuit of trade and investment liberalisation under PACER-Plus will most likely increase the social and economic problems for traditional farmers engaged in agriculture activities across the Pacific and has the potential to exacerbate food-security issues in the Pacific Island Countries. Many Pacific countries have a large and ongoing trade deficit (Vanuatu's trade deficit for example has consistently stood at around 25% of GDP). Countries that cannot earn the foreign currency they need to pay for imports are especially vulnerable to food security issues in a globalised food marketplace.

Proponents of free trade agreements argue that it is a better use of the world's resources for Pacific countries to import foods that are produced more efficiently and cheaper than farmers in the Pacific can produce themselves. However, this argument ignores the fact that most Pacific Islanders rely on local food systems and sell local produce as their main source of income. If PACER-Plus is designed as a reciprocal free trade deal, it is likely to promote a greater reliance on food imports and increased competition for local producers from foods produced in Australia and New Zealand. Both bigger neighbours are major agricultural producers and would most likely out-compete Islander producers forcing many to lose their vital income from local markets. This could lead to a situation of the abandonment of lands, acceleration of migration from rural to urban areas, with subsequent pressures on local governments to provide basic services and, in most Least Developed Countries, without real employment opportunities that could provide them with a life with dignity.

Importing greater amounts of food also has implications for the environment, by promoting carbon-intensive, industrial agriculture (including the use of international shipping and air-freight) over localised food production and harvesting systems (which provide sustainable livelihoods and promote local communities).

According to the proponents of free trade, consumers will benefit from lower prices once tariffs (import taxes) are removed. Experience suggests that in many cases exporters and distributors ('middle men') tend to increase their prices almost back to the same level after tariffs are removed, and fail to pass on the benefits to consumers¹. Increases in consumption taxes (to replace lost government revenue) also undermine any benefits since consumers are left to pay the additional tax whilst still paying similar prices for their food.

However, even if the promises of lower prices through free trade did occur, cheaper imports also pose threats. An increase in imports of cheaper foods could undermine local agricultural systems and have negative health outcomes when poor quality foods, like mutton flaps and turkey tails, become cheaper than local foods such as fish.

¹ There are recent examples of this from within the Pacific – when the Asian Development Bank forced Vanuatu to lower tariffs as part of conditions for a new loan in the late 1990s for example, the benefits were not passed on to consumers. A report commissioned by the United Nations Development Programme on *Leveraging Trade for Human Development in Vanuatu* found that one of the “benefits of trade liberalisation – a fall in retail prices of consumer items – is not evident in Vanuatu”. See: Wagle, S. 2007. *Leveraging Trade for Human Development in Vanuatu – Summary of Issues*. Asia-Pacific Trade and Investment Initiative UNDP Regional Centre in Colombo.

Pacific countries have among the highest rates of non-communicable diseases (like type 2 diabetes) found anywhere on earth. There is a clear link between the increasing prevalence of non-communicable diseases (NCDs) in the Pacific and the radical change in diet that has occurred, with fatty waste meat products becoming readily available at prices that make them cheaper than traditional foods such as fish – and are especially attractive to the urban poor. Fiji, a member of the WTO, has imposed a ban on the import of mutton flaps, claiming there are proven links to obesity. New Zealand threatened retaliation at the WTO, but has backed off doing so - perhaps fearing exposure to accusations that it knowingly dumps unhealthy waste products on the Pacific Islands.

Following Fiji's example, and in an attempt to improve public health outcomes, Samoa imposed a ban on imports of turkey tail meat (a fatty off-cut imported from the US) in 2007. Samoa had already tried raising tariffs on the import, but this was not seen as enough of a deterrent². Both the raising of import tariffs, and the outright ban on imports, are policy options that are already constrained by WTO rules, but these constraints may apply to all Pacific countries if PACER-Plus is designed as a reciprocal FTA that meets the requirements of the WTO's Agreement on Agriculture.

Radical rethink: Food Sovereignty

"Food Sovereignty" is the new progressive version of "food security." Food sovereignty rejects the proposition that food is just another commodity for international agribusiness. Instead, it puts providers and consumers at the centre of decision-making. This people-centred approach is deeply rooted in local production, based on the principal rights of farmers to produce the quantity and quality of food that they need to secure their livelihoods and those of future generations. Here in the Pacific the notion of food sovereignty is tied to our traditional economy.

There is an emerging school of thought in the Pacific that argues that the traditional economy is the source of resilience for countries such as Vanuatu, Papua New Guinea and the Solomon Islands to the multiple crises that the region is faced with (food, energy and financial crises). Ralph Regenvanu a member of Vanuatu Parliament and Director of the Vanuatu National Cultural Council argues that there are many important benefits that Vanuatu gains from the strength of its traditional economy. A key factor is that everyone has access to land on which to make gardens for food, as well as to meet other basic needs such as shelter and medicine. Mr Regenvanu argues³ that the traditional right to use land to make food gardens and access resources means that individuals or families who do not have access to their own customary land (or enough of it) to meet their needs can be given the right to use other families' land, with "rent" or "use rights" being paid for using the products of the land.

The key point is that policy makers at all levels including those attending the Pacific Food Summit must begin to do more to recognise the reality and the promise of the traditional economy as part of the solution to ensuring food sovereignty for our own people. This would be a radical rethink to the issue and departure from the ongoing unquestioned pursuit of liberalisation under free trade agreements such as PACER-Plus as a solution to addressing this issue.

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² Radio New Zealand International. 2007. *Samoa health officials say turkey tail ban should improve country's health*. 01 August 2007. Accessed at: <http://www.rnzi.com/pages/news.php?op=read&id=34100>

³ Regenvanu, R. 2009 *The traditional economy as a source of resilience in Vanuatu*. Speech presented at the "Pacific Islands and the World" Conference in Brisbane. The full speech is available at <http://aidwatch.org.au/publication/the-traditional-economy-as-the-source-of-resilience-in-melanesia>