

The global food system and its impact

organized by **CRIES**

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Geopolitical Power of Global Food



KEY POINT: THE FREE MARKET IS A LEGEND

The market has been shaped mainly by power of great inequalities between “North” and South”.

This is an example about the final result:

Please pay attention to the colors and name of the products showed in the video-clip

See the full report from where the video-clip come from in:

<https://www.internazionale.it/webdoc/tomato/>



Hanno permesso un libero flusso di pomodoro in scatola dai paesi europei.

This happened in Ghana, and many others countries, not by accident, but because:

- Western countries (European Union, USA) have heavily subsidized (now less) their agricultural production, to increase exports
- The Southern countries has been pushed to cancel or reduce their tax and tarif related to import food products from abroad (Ghana: in 2000)



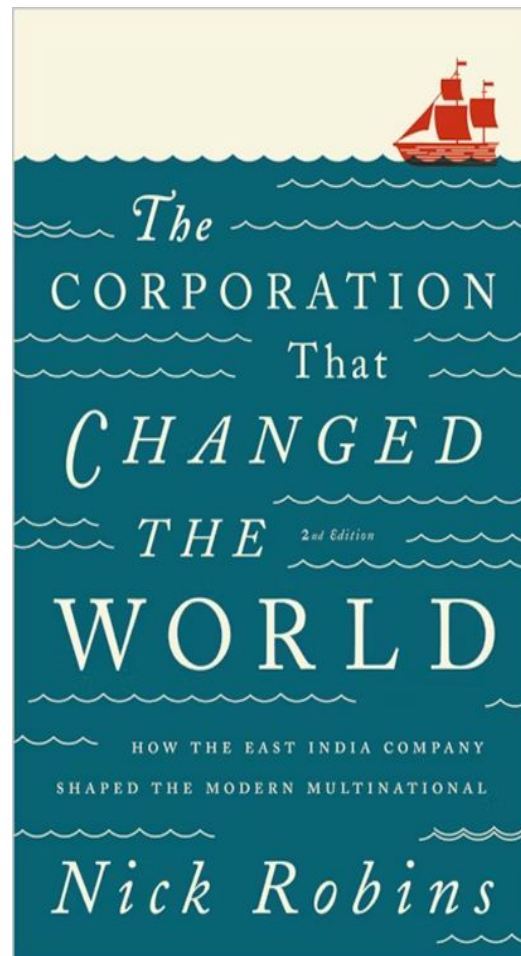
INFO ABOUT SUBSIDIES IMPACT ON NEXT SLIDES

THE SETTING OF THE GLOBAL FOOD SYSTEM BEGAN IN THE 16th CENTURY (after conquest of America by Spain), AND HAS BEEN IMPLEMENTED AT THE EARLY OF THE 17th, with the establishment of the «British East India Company» in 1600, and the «Dutch United East India Company» in 1602

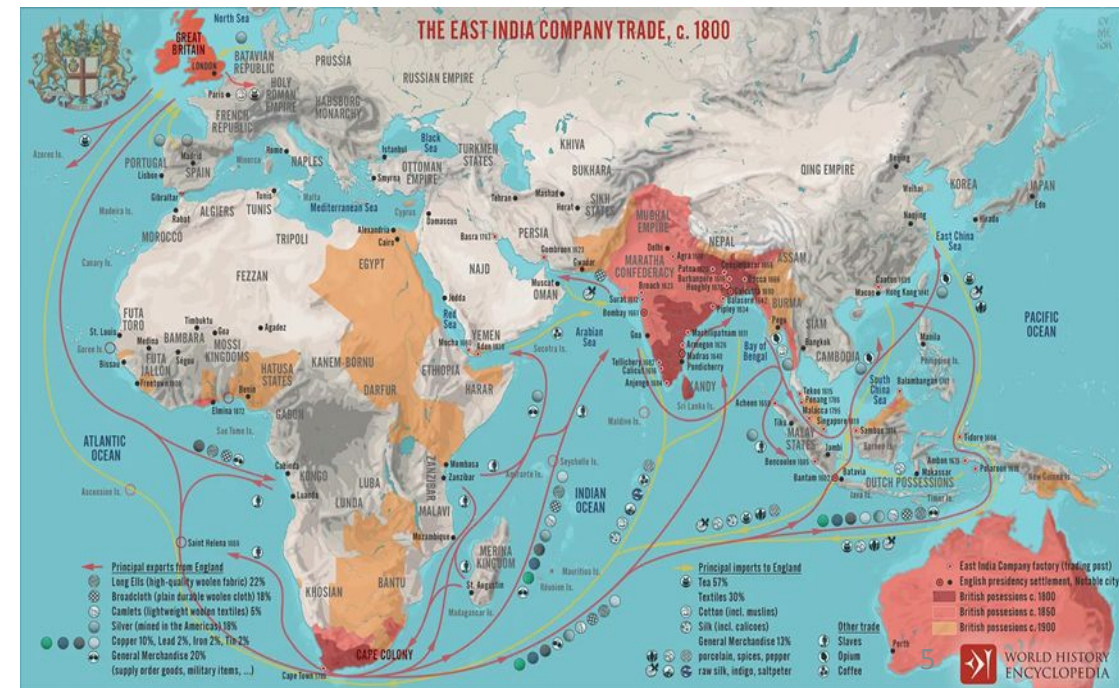


Both companies represent the birth of what were later called MULTINATIONAL, mega economic actors, able to influence the world economic order and food system

The DEIC trading routes



The BEIC trading routes



THE BEGINNING OF THE GLOBAL FOOD SYSTEM



Under colonial rule in Africa, Latin America and Asia many lands were used to growing crops for export, using slavery or forced labor. This had an enduring legacy for many colonized countries

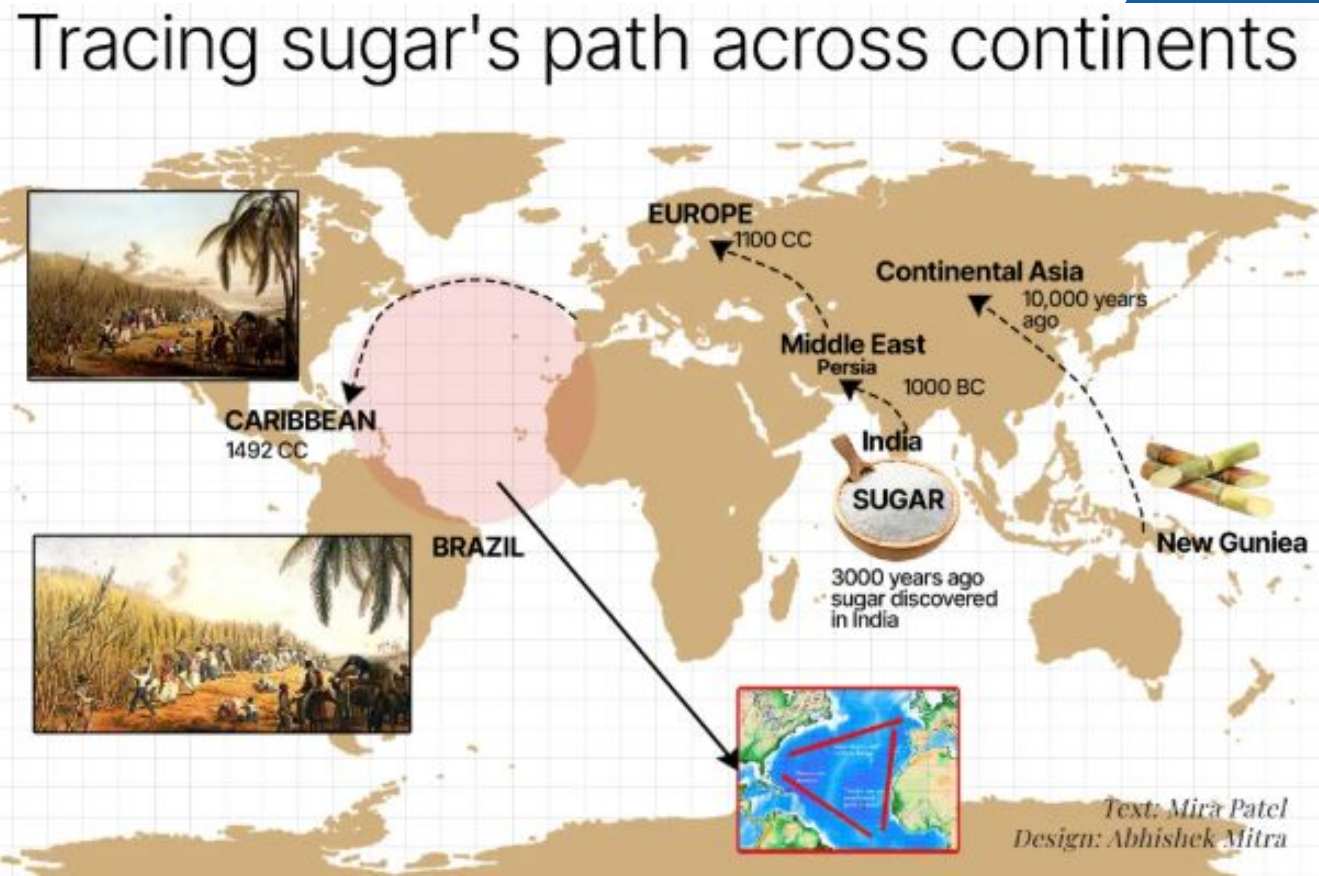
THE SUGAR CASE:

For us, live without sugar is not possible...

...but until few centuries ago sugar was a luxury asset. With the America's conquest the sugar cane was exported to the Antilles, which cultivation took place exploiting slaves. In this way sugar became essential to the European diet.

All the new countries colonized during the XVI and XVII century are covered – by Portuguese, Spanish, French and British colonial systems - with sugar cane plantations.

Today the largest (by far) sugar cane producing countries remain Brazil and India...



The effects of colonialism continue to shape the food landscape

Vast areas of the Global South are dedicated to monoculture cash crops or livestock to export in the Global North: coffee, tea, cacao, cotton, tobacco, palm oil, fruits, vegetables, soy, meat...

This disrupted local food systems, making local economies depending by global market prices.

Today about 80% of the world's food trade is a consequence of historical colonialism.

UNVEILING COLONIAL DISRUPTION:

how historical injustices shape today's food systems

by Denis Kioko Matheka and Alexandra Humphreys

BLOG SERIES

Cultivating equity: unveiling injustices across food systems

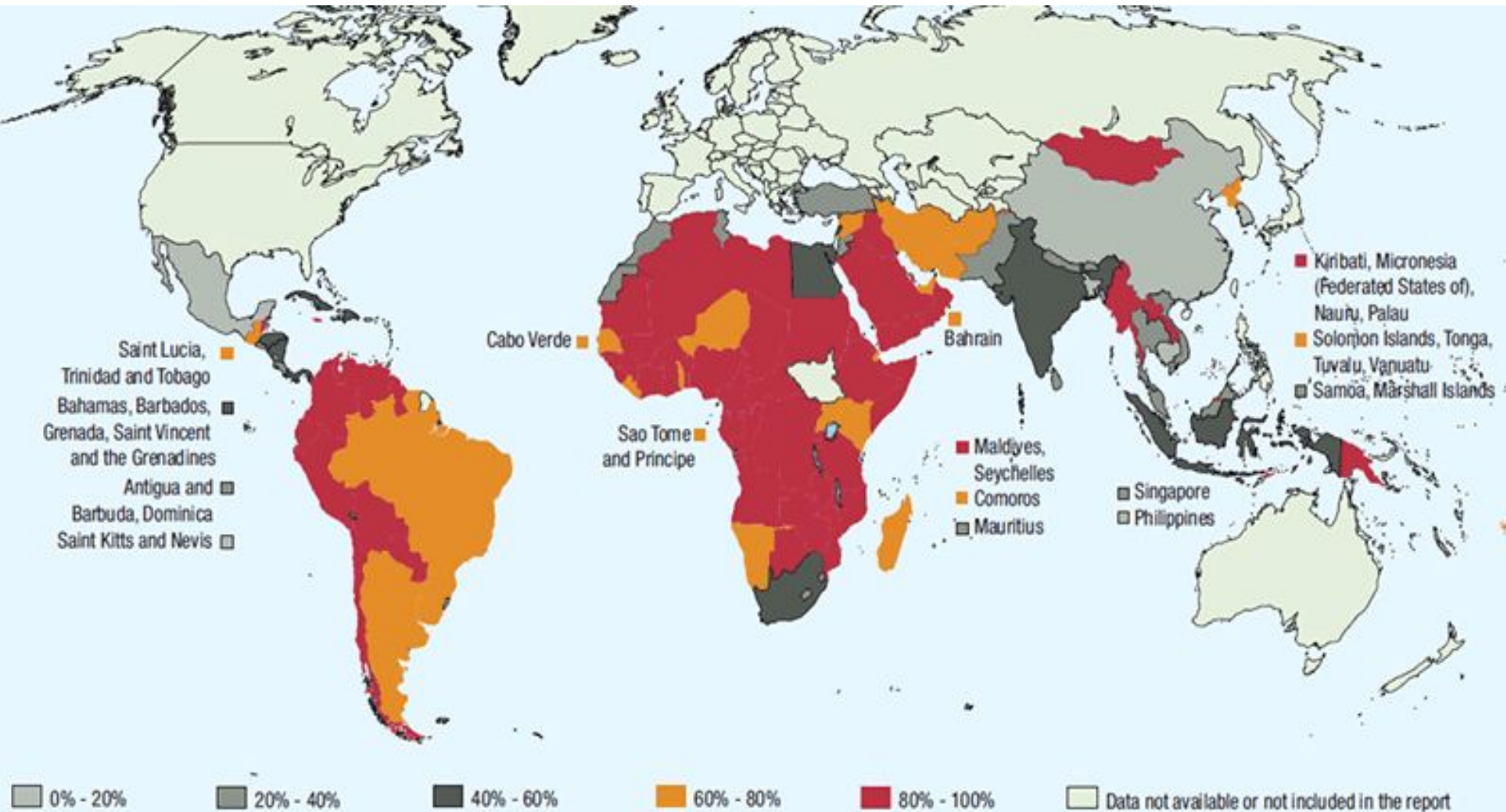


TO LEARN MORE ABOUT: >>>>>

<https://amazingfoodanddrink.com/colonialism-global-food-practices/>

<https://www.anh-academy.org/community/blogs/unveiling-colonial-disruption-how-historical-injustices-shape-todays-food-systems>

“Heavy dependence on commodities makes these countries vulnerable to shocks and price fluctuations” (UNCTAD Secretary General, 2019)



67% of developing countries (91 out of 135 countries) are dependent on commodities. Least developed countries are even more dependent, as more than 80% of their export earnings come from commodities

Source: Special Unit on Commodities, UNCTAD, using data from UNCTADStat
Note: The figures represent commodity export value as share of merchandise export value

THE NEO-COLONIAL APPROACH OF THE 20^o CENTURY

2 MAIN REASONS:

- 1) IN '70-'80 SOUTHERN COUNTRIES WERE PUSHED TO INCREASE EXPORT COMMODITIES TO GET DOLLARS TO PAY THEIR DEBTS, AND TO OPEN MARKETS WITH LOWER OR NO CUSTOMS TARIFFS
- 2) EUROPEAN UNION AND UNITED STATES SUBSIDIES TO EXPORT FOOD PRODUCTS ABROAD



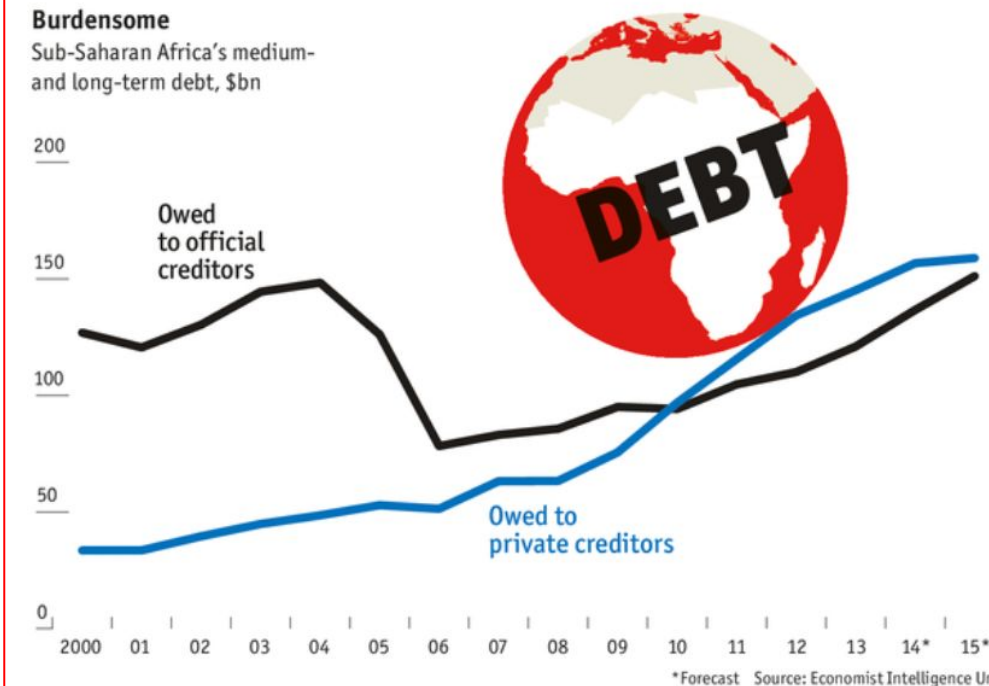
THE SOUTHER COUNTRIES DEBTS DOUBLED FROM 2011 TO 2021...

"The origins of the debt arise from the origins of colonialism. Those who lend us money are the same who colonized us before. They are those who used to manage our states and economies" Thomas Sankara (Burkina Faso President, 1983-87)

THE AFRICA EXAMPLE: from '70 World Bank and International Monetary Fund pushed Southern countries to increase export crops.

Food Africa's exports boomed, also during the 1970-74 drought, when over one hundred thousand famine deaths took place, the total value of agricultural exports from the **Sahel countries** was three times that of all cereals imported there.

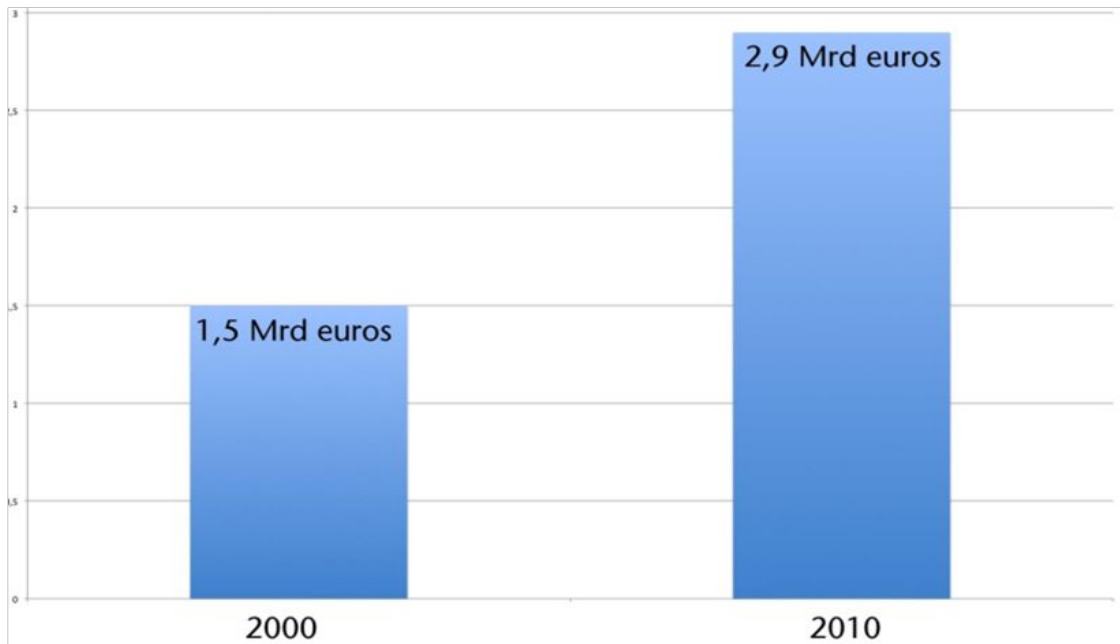
In **Mali**, in the 5 years preceding the drought the area under cotton-cultivation more than doubled. During the same period, the land devoted to food grain production declined significantly.



THE EUROPEAN AGRICULTURAL POLICY SUBSIDIES FOOD EXPORT AT LOWER PRICES ALLOWED EU FARMERS TO UNFAIRLY COMPETE WITH LOCAL PRODUCERS IN MANY DEVELOPING COUNTRIES

(that is what happened in Ghana with respect to tomatoes, as reported in the previous slide)

Food export from European Union to the Economic Community of West African States



OXFAM 2002:
European Union agricultural subsidies are destroying livelihoods in developing countries.

31 Oxfam Briefing Paper

Stop the Dumping!

How EU agricultural subsidies are damaging livelihoods in the developing world.

European Union agricultural subsidies are destroying livelihoods in developing countries. By encouraging over-production and export dumping, these subsidies are driving down world prices of key commodities, such as sugar, dairy, and cereals. Reforming a system in which Europe's large landowners and agribusinesses get rich on subsidies, while smallholder farmers in developing countries suffer the consequences, is an essential step towards making trade fair.

- The damages caused by export subsidies to Southern countries were highlighted and analyzed in a series of powerful reports and pamphlets by development NGOs such as:
- Oxfam (Stop the Dumping! How EU Agricultural Subsidies are Damaging Livelihoods in the Developing World, 2002; Dumping on the World: How EU Sugar Policies Hurt Poor C., 2004)
 - Aprodev (No More Chicken, Please, 2007; Preventing Unfair 'Dumping' of EU Subsidized Food, 2011)
 - ActionAid (Milking the Poor; How EU Subsidies Hurt Dairy Producers in Bangladesh, 2011)
 - Brot für die Welt (Milk Dumping in Cameroon: Milk powder from the EU is affecting sales and endangering the livelihoods of dairy farmers in Cameroon, 2009).

THE COTTON CASE:

Oxfam Briefing Paper

Cultivating Poverty

The Impact of US Cotton Subsidies on Africa

American cotton subsidies are destroying livelihoods in Africa and other developing regions. By encouraging over-production and export dumping, these subsidies are driving down world prices – now at their lowest levels since the Great Depression. While America's cotton barons get rich on government transfers, African farmers suffer the consequences.

This has been the situation till 2014:

The 25,000 America's cotton farmers receive more in subsidies than the entire GDP of Burkina Faso, a country in which more than 2 million people depend on cotton production. Over half of these farmers live below the poverty.

Export Losses in Three Countries Due to U.S. Cotton Subsidies (2001-2002, millions of dollars)

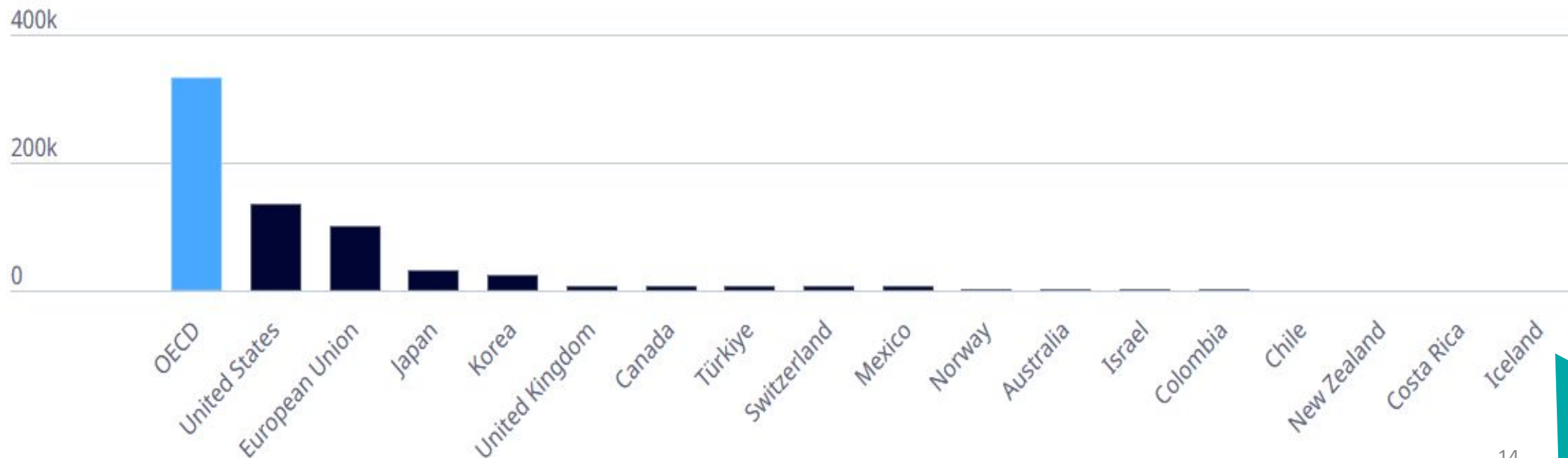


Note: Assumes 11 cents per pound net increase in world cotton price.
Source: International Cotton Advisory Committee.

IMPORTANT! THE USA AND EU DIRECT SUBSIDIES TO FOOD EXPORT ARE TERMINATED AFTER 2015, BUT GOVERNAMENTAL SUPPORT TO AGRICULTURE ARE STILL THERE, USING DIFFERENT WAYS, THROUGH A COMBINATION OF PAYMENTS TO FARMERS, POLICIES THAT AFFECT THE PRICE OF AGRICULTURAL COMMODITIES

Agricultural financial support

Total Support Estimate (TSE), Million US dollars, 2022



... AND WE COME BACK INTO THE GHANA CASE:

In 2000 Ghana government signed a «free trade agreement» with EU, that included to dismantle their tax system on products imported from the EU.

CONSEQUENCES:

sectors such as poultry industry and tomato farms collapsed against the cheap foreign importations from EU. In 2023 the Netherlands exported 65.7 million \$ of poultry meat into Ghana. A decade ago Ghanaians produced >80% of their chicken meats, but now production has plunged to less than 5%.

In Ghana, **tomato imports from abroad have almost 100 times in 20 years! 120.565 t. in 2015**

Nobody will pay for local tomatoes anymore.

[to learn more, I recommend these video and article:](#)

<https://www.youtube.com/watch?v=rIPZ0Bev99s>

<https://www.ispionline.it/en/publication/how-euro-african-free-trade-deals-hit-african-economies-and-stimulate-migration-179055>



L'incremento è cominciato nel 2000, quando sono stati ridotti i dazi sulle importazioni,

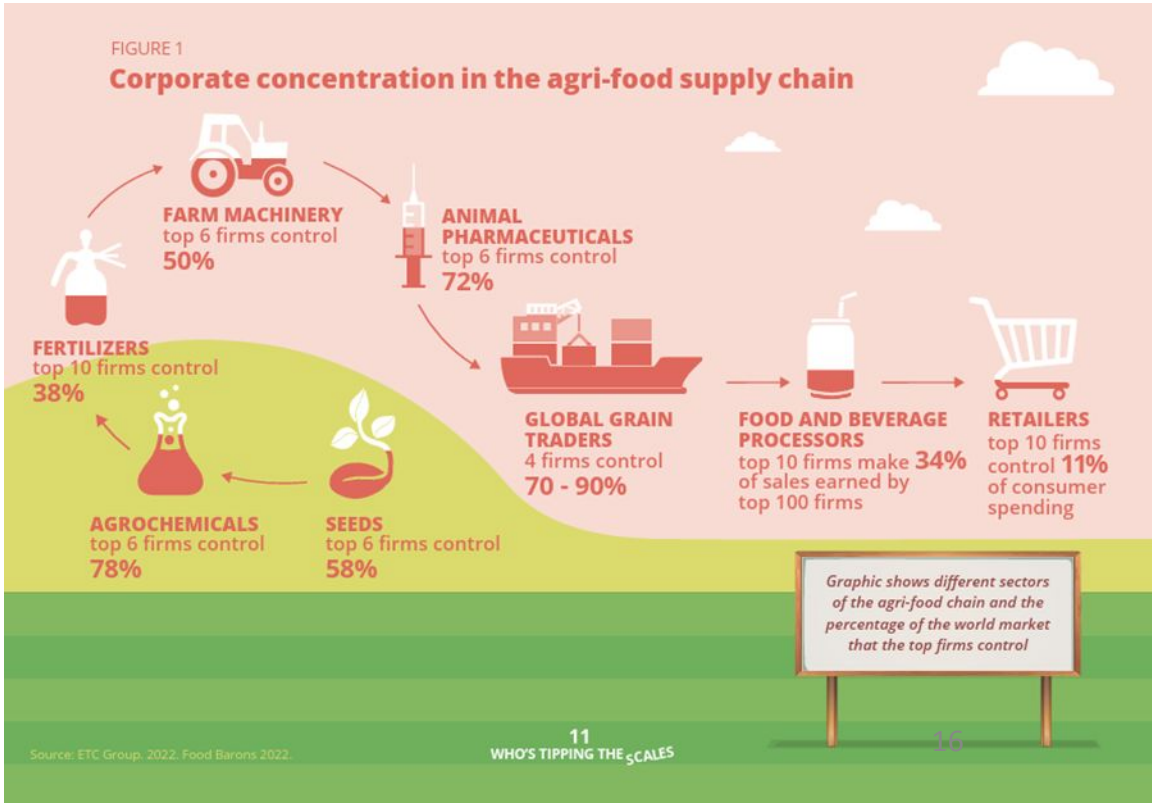
THE FOOD OLIGOPOLY: HUGE POWER IN FEW HANDS

How big business gets control over our food



Olivier De Schutter, Special UN rapporteur on Food security

"...the growth of the food empire increasing power imbalances in the food chain at the expense of less organized and more dependent sectors: small-scale commodity producers» (2015)



OLIGOPOLY IS NOT A FREE OR FAIR MARKET

More and more power over food production is concentrated in a few number of huge multinationals



These 4 companies trade, transport and process raw materials with a world market share of 70%. They can exercise enormous bargaining power against producers. **Finally, at the end of the chain Supermarkets play the role of gatekeepers, deciding what food to offer to consumers, and to produce.**

ARE CONSUMERS REALLY FREE TO CHOOSE?

- 12 mega-multinationals control (through 550 brands owned by them) 70% of the world's food choices
- The top 10 large retailers control >15% of world food sales
- the top 5 European food chains control 50% of the food retail market (in England the top 4 control 75% of food sales)

These 12 companies together own 550+ consumer brands

Revenue by company (2023): ● Nestlé \$111B ● PepsiCo \$91B ● Procter & Gamble \$84B ● Unilever \$66B
 ● The Coca-Cola Company \$46B ● Mars \$47B* *2022 ● Mondelez \$36B ● Danone \$30B
 ● Kraft-Heinz \$27B ● Associated British Foods \$24B ● General Mills \$20B ● Colgate-Palmolive \$19B



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THE LAST GLOBAL FOOD SYSTEM TREND: VERTICAL INTEGRATION

In the food industry, this could mean one company is responsible for multiple stages in the process.

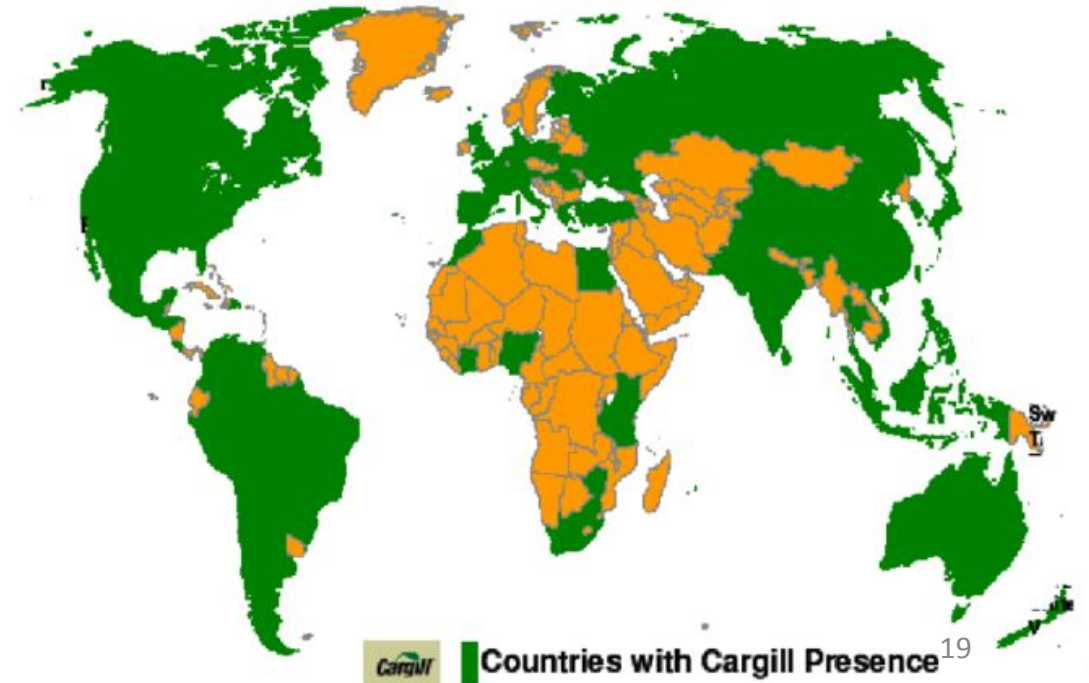
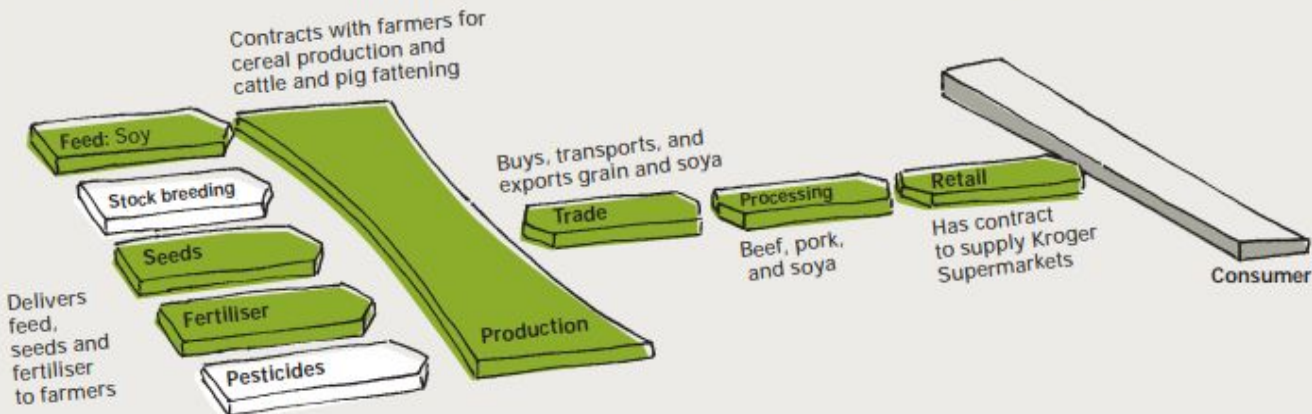


From Farm to Fork: vertical integration is when one company controls more than one stage of the supply chain (i.e. suppliers) or production cycle, sales included.

Cargill: Example of vertical integration

Market leaders enter other sectors. Syngenta does not just produce pesticides and seeds, but also provides credit for vegetable production. The

biggest cereal trader Cargill extends credit to farmers, produces food and feed, trades in energy, stock exchange products, and much more.





Q&A time break – 15 minutes

and

QUIZZ about climate change impact – 5 minutes



Climate Change impact on agriculture and people

Droughts, floods and heat waves degrade soil, disrupt planting schedules, and decrease crop yields. Small-scale farmers are the most vulnerable to climate change impact, and the resulting volatility of commodity prices, driving the acceleration of inequality

Climate Change, the Great Displacer

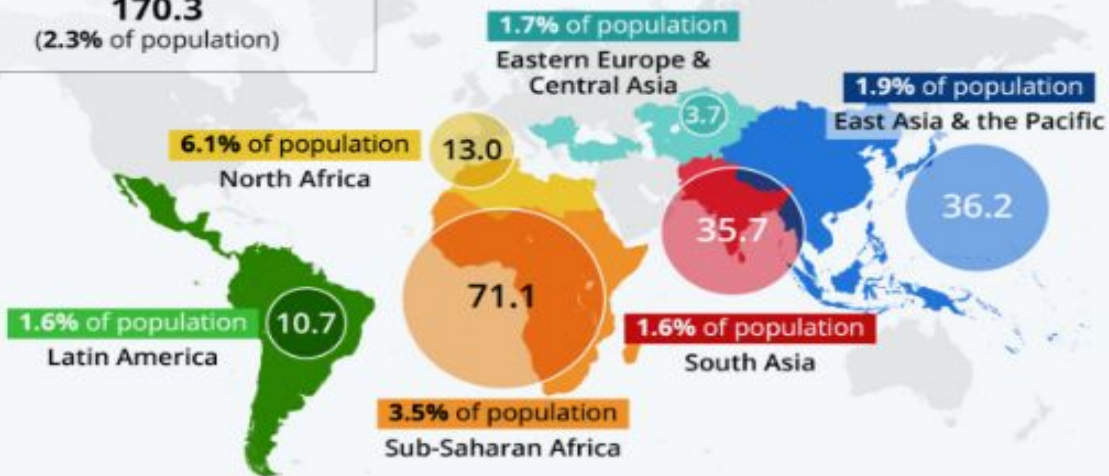
Average number of internal climate migrants by 2050 per region (in millions)*



Total in surveyed regions

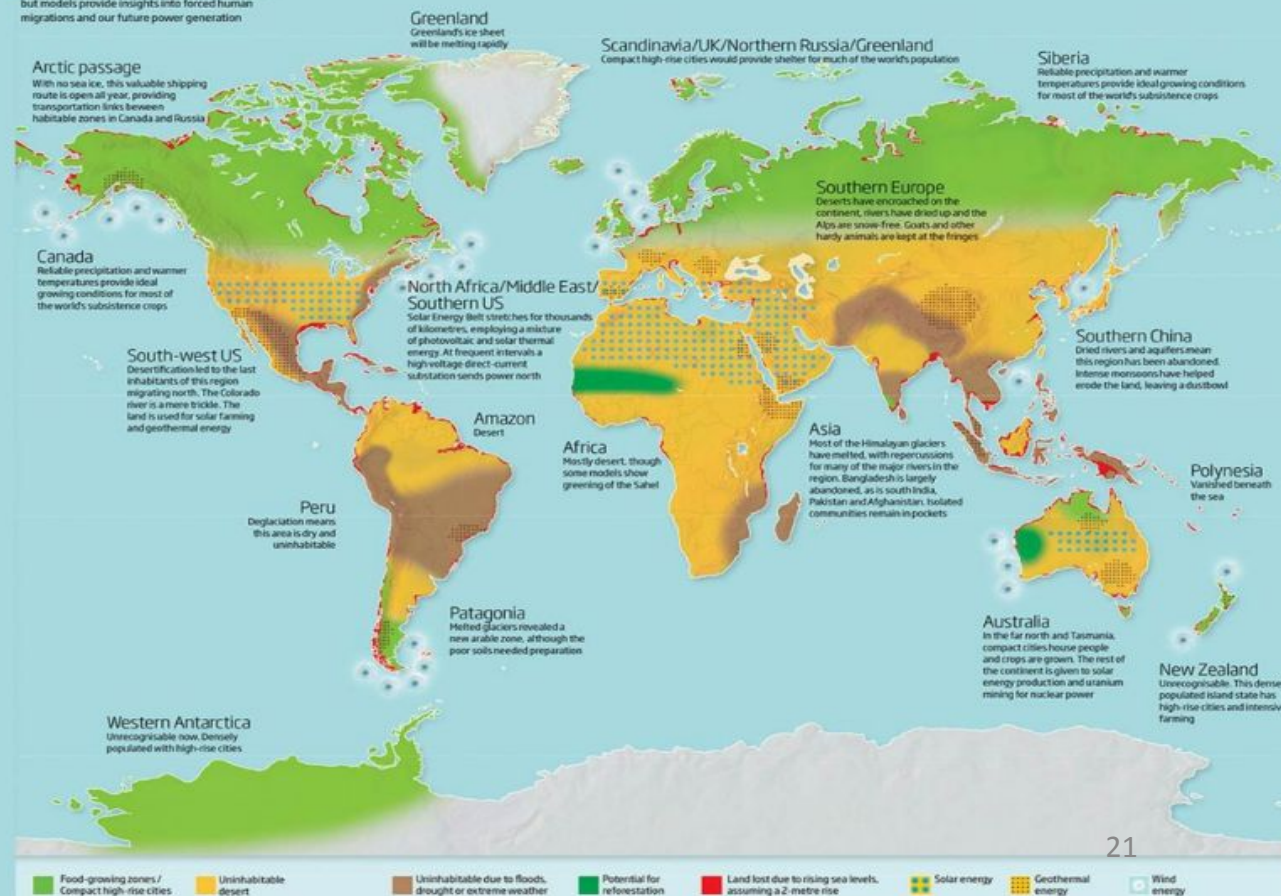
170.3

(2.3% of population)



The world: 4°C warmer

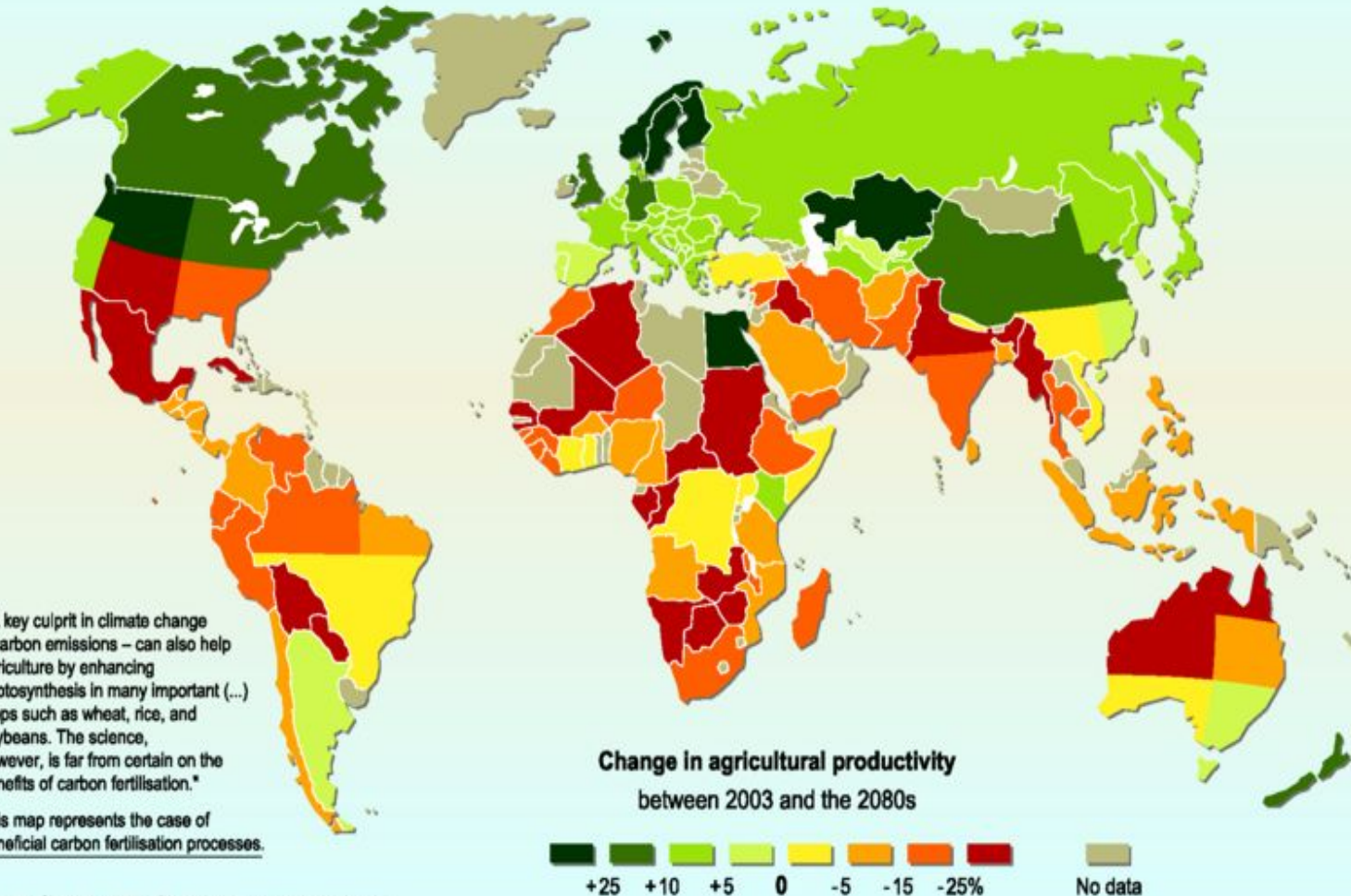
No one knows exactly what this world will look like, but models provide insights into forced human migrations and our future power generation



* Modeled on pessimistic reference = High emission & unequal development scenarios concerning water availability, crop productivity and sea-level rise

Climate Change impact on food production

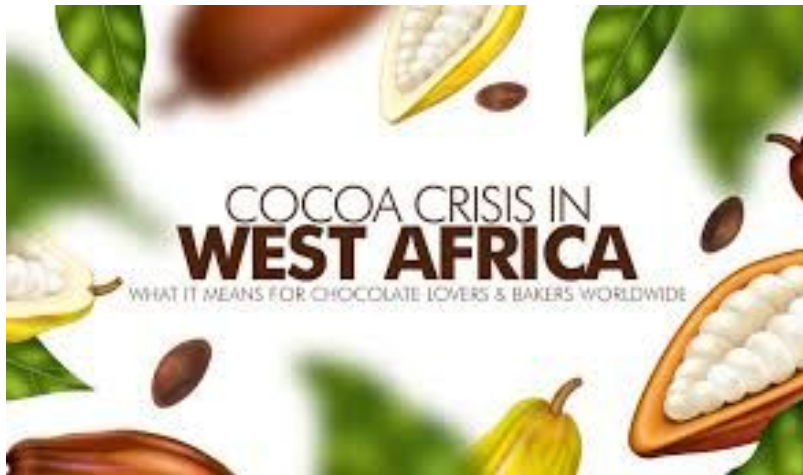
Projected impact of climate change on agricultural yields



If temperatures continue to climb, rice yields in Asia could drop as much as 50% by 2100, compared to 1990. Farmers in South Asia could experience a 30% reduction in wheat and maize production by the end of the century. By 2030, as many as 38 million more people in Asia and the Pacific region could be pushed into hunger.

THE WEST AFRICA COCOA CASE

The climate crisis in Africa is destroying the world's core cocoa production, increasing the likelihood of heat waves in West Africa ten times!



Rainfall in West Africa was more than double the previous 30-year

The cocoa virus, started in Ghana where affected >250 million plants.

6 million of people are involved in cocoa production, 90% of them are small farmers which farms' size does not exceed 5-6 hectares.

AND WE...
WHAT?



FIRST: TO DON'T STOP TO INVEST IN ADVOCACY AND POLITICS (even if is very hard, in this period...)

EXAMPLE OF ADVOCACY RELATED TO THE CURRENT GLOBAL FOOD SYSTEM:

“Oxfam calls on the EU to address head on the triple crisis of hunger, climate change, and inequality and commit to the following:

- 1. Invest in food security: Ensure effective support to small-scale food producers globally*
- 2. Stand for climate justice: Take the climate change threat to food security seriously.*
- 3. Limit the EU’s global land use footprint: Stop unsustainable and irresponsible land use that drives hunger and inequality.*
- 4. Balance the power: Break corporate domination and enhance equitable global food governance”*

(“Recommendations for the European Union’s institutional cycle 2024-2029”, December 2024)

To see the recent (19/02/25) Fair Trade Advocacy Office position paper about the EU Food and Agriculture policy:

<https://fairtrade-advocacy.org/posts/90>

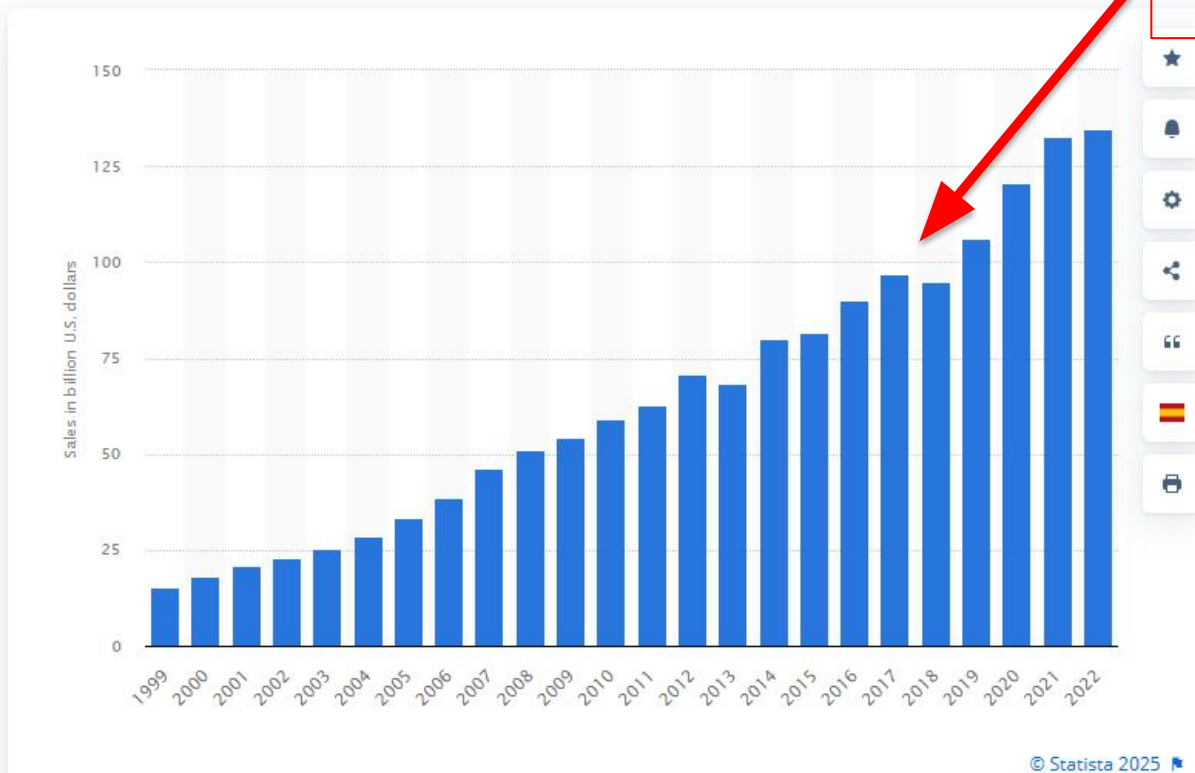


CONSUMER POWER IS NOT A FANTASY, IT REALLY EXISTS!



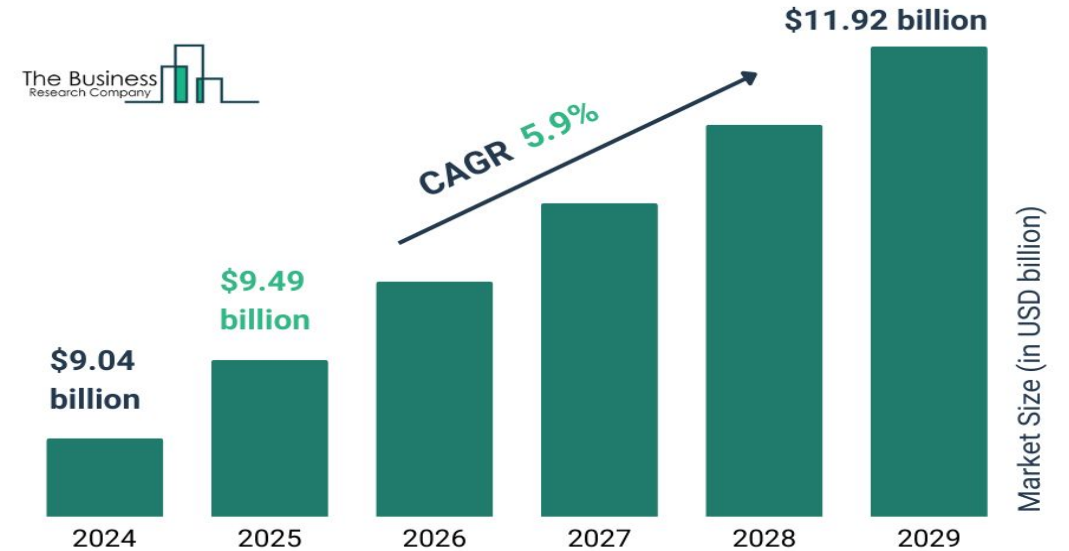
THE ORGANIC FOOD CASE

Worldwide sales of organic food from 1999 to 2022
(in billion U.S. dollars)



Worldwide sales of organic food amounted grew from 2000 to 2022 from 18 billion \$ to about 134.76 billion \$ in 2022. In Italy in 2024 organic sales grown 5.7% compared to 2023

Organic Vegetable Farming Global Market Report 2025



A great change of the food industry, **driven by a strong orientation in consumer choices**, happened in the last 30 years. A walk in a supermarket in 1990 compared to 2022 show a complete different picture about foods available in, **mainly about organic, fair trade and local products**

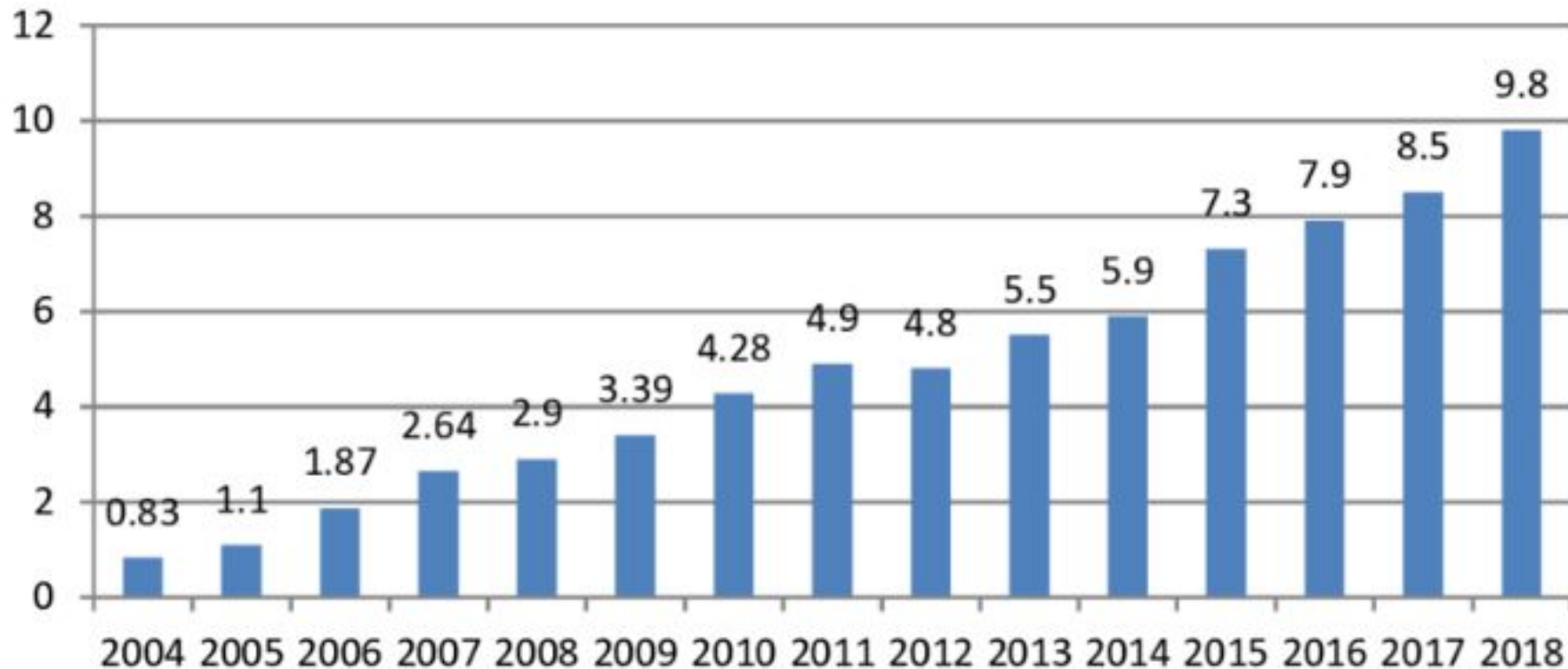
The global organic products sales growth can be attributed also to **consumer awareness**

FAIR TRADE IS ANOTHER «FOOD CONSUMER POWER» EXAMPLE

THIS IS THE REMARKABLE GROWTH OF FAIR TRADE WORLDWIDE SALES
2004 TO 2018 (before energy, Covid and Ukraine crisis).

FROM

In 2024 sales started to grow again throughout all over Europe, also in Italy (although this depends mainly on sales to supermarkets or processors of raw materials)



Sales of Fair Trade products worldwide, years 2004-2018, billions of EUR Source: own calculations based on Fairtrade International Annual Reports (Fairtrade,2020).

AND FINALLY:

“VOTE WITH THE WALLET” MEANS GENERATING POSITIVE IMPACTS THROUGH CONSUMPTION AND INVESTMENT CHOICES. IS A POLITICAL ACTION, EXPRESSING OUR OWN IDENTITY AND SOCIAL ENGAGEMENT



THE TEN GOLDEN RULES OF THE “VOTE WITH THE WALLET”

1. Substantially evaluate the orientation of companies towards integral sustainability
2. Consider the Vote with the Wallet a choice of principle, and favor the quality of relationships
3. Support sustainable companies with market support, thanks to consumer choices
4. Beware of green and social washing, evaluating the underlying attitude, the authentic spirit of the company
5. Research and provide reliable and verified information on companies
6. Activate local organizations to evaluate together the behavior of companies
7. Develop a complex of tools to accompany the Vote with the Wallet
8. Vote with responsible financial and investment choices, to make your money count (even if little) through responsible savings
9. Promote and spread the Vote with the Wallet of organizations, companies with the choice of responsible suppliers, administrations with real Green Public and Social Procurement
0. Use social media and digital tools to promote the Vote with the Wallet.

Thanks



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And **THANKS**



to **CRIS**
CENTRUL DE RESURSE
PENTRU INIȚIATIVE
ETICE ȘI SOLIDARE

and Mihaela and Sergiu



Reflections and comments on the answers presented at the beginning – 10 minutes

Presentation of the Moodle platform and feedback questionnaire - 5 minutes.

