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für die Welt



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## Structural Adjustment 2.0

G8 Initiative “New Alliance for Food Security and Nutrition in Africa” paves the way for radical opening of markets for international seed and agrarian corporations in African countries

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The “New Alliance for Food Security and Nutrition in Africa” was initiated by Barak Obama at the G8 summit in Mai 2012. In this new Alliance, the G8 countries are cooperating with six African countries (Ethiopia, Burkina Faso, Ivory Coast, Ghana, Mozambique, and Tanzania), multilateral organizations (World Bank, World Food Program et al.) and some of the biggest corporations in the agricultural and food sector (Cargill, Syngenta, Monsanto, Yara et al.). Their aim is to create reliable conditions for private investments in the agricultural sector. Thus they hope to lift 50 million people out of poverty within the next 10 years. The federal Government of Germany is supporting the New Alliance actively and financially. Civil society organizations warn that small scale farmers could be harmed while only the agricultural and food industry would benefit from this Initiative.

## **Agricultural and food policies are geared to industrial interests**

Through the New Alliance, the international agricultural and food industry is getting more and more involved in policy making of the G8. As a result of this new alliance there is a risk that strategies for combating poverty and hunger are oriented towards the political interests of corporations. The Alliance aims at exploiting the agricultural resources of Africa extensively and at integrating the local agricultural production in global value chains. It has to be questioned whether this integration into global value chains will really benefit African small scale farms. By cooperating with Bayer, Cargill, Yara and Monsanto, the G8 hope for rapid successes in combating hunger. Governments help them by mitigating investment risks, by providing investment-related information and a positive investment climate in agricultural input markets (seeds, fertilizer, pesticides) and the land sector. Resulting problems such as the concentration of power in the seed market, loss of agro biodiversity, marginalization of rural communities, concentration of land, land grabbing and the substantial conflict of aims between the claim of combating hunger and the original business interests of corporations are systematically disregarded by the G8 New Alliance.

**At the same time, national states are backing out from active policy making.**

In many cases the business' actions are based in Germany or other countries of the EU. And there as well the enterprises' interests are being favoured over peasant interests by politics.

## **Basic human rights principles are being violated**

Especially in political fields that are sensitive to human rights, such as seed legislation and land policies, the approaches of the G8 New Alliance should be questioned. A **human rights risk assessment** should have been carried out as a minimum requirement in the run-up to such an initiative. Holding a broad public debate about whether such close involvement of the private sector makes sense and is socially desirable at all would have been even more important. Neither of the two has been scheduled so far.

The initiative was developed more or less behind closed doors and without the participation of the majority of the affected groups. Once again they are not acknowledged as legal subjects and thus **actively discriminated** and segregated. Therefore it is not surprising that the postulated target group of the New Alliance, **small scale farmers, have repeatedly militated against the strategies of the New Alliance**<sup>1</sup>. Unfortunately approaches developed by small scale farmers such as food sovereignty and agro-ecological strategies are not mentioned in the New Alliance.

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<sup>1</sup> Final Declaration of Civil Society Organisations. Regional Civil Society Consultation for Africa held in Brazzaville April 21-22, 2012; Letter to President Obama from the African civil society, April 15, 2012

## **Promotion of industrial agriculture and the “Green Revolution”**

The policies of the New Alliance are biased towards the industrialization of agriculture, relying on hybrid seeds (and GMO), and increased use of fertilizer and pesticides – as well as on mechanized large scale farming. These are all ingredients of the Green Revolution which already in the past have not reached marginalized and impoverished small scale farmers. The approach of the G8 New Alliance does not sufficiently incorporate available knowledge and experience of farmers. Based on the insights of the World Agriculture Report one would have expected a stronger orientation towards traditional knowledge and the needs of small scale farmers. Some phrases of the New Alliance even give the impression that the majority of the farmers is not needed anymore in the final consequence.<sup>2</sup> With support of the G8 countries and without any recognizable opposition by African countries, the industry pushes towards **restructuring rural areas without the rural population**. Another fear relates to the reduction of food variety, since cropping strategies of the agricultural industry often focus on few crops and varieties. Thus supplying the population in developing countries with sufficient nutrients and vitamins could get more and more difficult. In this challenge the food industry and agribusiness could offer their solutions which most probably would be expensive processed nutritionally fortified food or GMOs such as Golden Rice.

### **Demand**

The Forum on Environment & Development and the signing organizations consider the G8 New Alliance to be an unprecedented adsorption of combating hunger by a small but powerful interest group. This is strikingly manifested in the fact that a “successful” implementation of the New Alliance is measured against the “Doing Business Index” of the World Bank which only measures the investment climate for (foreign) investors. At the same time, substantial threats to the Right to Food and to other Human Rights are accepted

The Federal Ministry for Economic Cooperation and Development (BMZ) needs to implement its strategy of promoting Human Rights as “fundamental principle of German development cooperation”<sup>3</sup>. Consequently this would mean **to withdraw from the New Alliance and to align its policies with the interests and potentials of small scale farmers**. This would also include that affected target groups, namely small scale farmers, pastoralists, indigenous people and small fishers, participate in the development of such policies. The Federal Government should therefore coordinate its strategies for food security under the umbrella of the Committee on World Food Security (CFS) where African governments are involved from the beginning and where representatives of the above named rural groups are entitled to participate.

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<sup>2</sup> It is estimated, that less than 5% of the African Farmers potentially have the necessary capital and resources to get integrated in the value chain of the named corporations, **Seville, D. et al.** (2011), Under what conditions are value chains effective tools for pro-poor development? (SFL / IIED)

<sup>3</sup> BMZ (2011) Menschenrechte in der Entwicklungspolitik