Globalization, Poverty and Food Security: Some Conceptual Linkages

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Abstract

Trade liberalization, as a central component of globalization, is expected to have certain positive impacts on a nation's domestic economy. These are related to the benefits of production specialization, greater foreign capital flows and more efficient use of labour, capital and other resources, wide diffusion of technology and so on. While these augur well for macro-economic growth and growth in income of nations that are actively participating in trade, there are inherent disadvantages for those nations that are not active players. Macro-economic growth in one population may therefore result in income loss, (worsening poverty) and food insecurity in another. In short there are inherent equity considerations in the application of globalization policies which hinge on the extent to which **all** can participate in the income-growth process that globalization fosters. In this paper, the possible linkages in this nexus of globalization, poverty and food security are examined with particular emphasis on agrarian nations of Africa. The relationship between developed and developing nations in the context of this inequity is examined via the ability or otherwise of poorer agrarian nations to benefit from trade liberalization, as currently midwifed by the WTO. Other linkage factors are the effects of the agricultural policies of OECD countries on the agricultural sector growth, farm income prospects and food security of populations of poorer agrarian nations, their capacity for setting appropriate national priorities to meet the challenges of increased trade and technological explosion, the degree of social responsibility that can be fostered for the poor and food insecure under this scenario, are some of the issues that are examined in situating the prospects for poverty reduction and food security of nations like Nigeria in a globalising world.

1.0 Introduction

> *"One of the most repugnant features of the present world is that, while one half are preoccupied with dieting and being worried about being overweight, the other half are struggling to get enough to eat." (Clare Short, UK Secretary of State for International Development, 1999).*

If (world) food security, as defined by the World Food Summit (1996), is a situation in which all people, at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and the food preference for an active and healthy life", then the scenario painted above suggests that no part of the world is food secure until all parts are food secure. In other words, there is a global linkage both in the creation of food insecurity and there must be global linkage in its removal or reduction. The policy concerns over this situation have, therefore, been rightly global in the past half decade. These concerns hinge on the fact that the evidences of poverty and food insecurity have never been so clear and alarming in their proliferation as in the last decade. But more worrisome is the conflict in the manifestations. The World Food summit secured international commitment, in 1990, to reduce the number of undernourished people by half by the year 2015. Five years on, statistics show that an increasing number of people remain food insecure (800 million by 2000) (World Development Report, 2000). Yet this contracts with the supposed progress being made to reduce by half the world's population living in absolute poverty over the same period, which indicates that the international development community is on track (Meyers, 2001). This implies that different indices are being measured or equally likely that progress in one area is negatively affecting the other. So, is hunger or food insecurity a symptom of poverty and in what ways are they linked?

The above definition further makes a clear distinction between food production and food access. Here is where poverty comes into the equation of food security. A poor nation may increase its food production, national food self-sufficiency and economic growth to lift itself upward in the poverty statistics, but sections of its people may remain food insecure because of other factors that affect their access to the food. Suffice it, then, to say that development indices that focus on increased production of food alone are inadequate to capture the pattern of its distribution between populations and within populations.

So we ask, why will reduction of poverty, that is, increased national or even household food production not lead to reduction of hunger? One ready and most acceptable answer is that the accessibility, the income, to obtain the food is not simultaneously enhanced or is indeed being eroded, even as the capacity and incentive to produce are being enhanced. A conflict arises, with valid proofs. Evidences suggest that world food supplies have outstripped world demand in the recent years. But world food prices have never been lower. For those who rely on the income from food production to stave off hunger, the low prices mean reduced income and access to food. The extent to which a nations population remain sustainably food secure is the ways and manner in which the economic and technological structures work together to create production and income simultaneously and also how it can retain the social and political structures to ensure equitable participation of all segments of its population in the income-growth process.

Food security therefore depends on economic conditions, government policies, institutional structures and state of governance in any nation and how these are shaped to influence not only food production capacity but also income-capacity of its citizen. But in the highlighted areas of policy concern, the greatest change has been the power shift between national economies and world economies in making decisions regarding these conditions. More than ever before, nation states are helpless to reduce poverty on their own initiatives alone because of the increasing linkages in the world economy. **Globalization of policies, actions and outcomes may have indicted on the scenario of increasing hunger that is being witnessed worldwide** (IFPRI, 2001)**.**

A lot of sentiments have been expressed about the term globalization, both positive and negative. But the trend of opinion has been fairly clear-cut – the most negative and pernicious views come from the hungry half of the developing world. A Chinese rice farmer who claimed to have increased his crop yield by 10% on his half hectare plot in the last five years but also confirms that price of the crop has dropped 10% over the same period, while input prices have increased by 5%. On the balance he is less income-capable than five years ago in spite of efforts at increasing his productivity. He then asks, **"Who invented this thing called globalization?** It must be someone in the developed world who has no experience of hunger" (IFPRI, 1999)**.**

1.1 Food Security is a Direct Symptom of Poverty

There is often a wrong assumption that agricultural production is the solution to food insecurity. However, emerging evidence around the world dictate otherwise. The deepening poverty in the world today is not because of lack of agricultural production. Indeed, world food production has been consistently on the increase. World cereal production has doubled in the past 40 years, reducing world cereal prices by about 40% over the same period. Currently, world food supply outstrips world demand, in spite of increasing population and urbanization, attributable to galloping strides in technological development and yield increases. But because majority of people purchase the food rather than produce it, accessibility to food for most cannot be guaranteed, unless they are economically empowered to obtain the food from the production centers.

Thus, while for instance, Nigeria's food production statistics show annual increases, many in remote areas of the same rural sector that provide the food remain hungry. In the South east of the country, many families in the erosion-devastated regions remain hungry because they lack the means to produce enough food to last the year round. Landlessness is a characteristic of the poor. So their food insecurity is because of poverty resulting from land scarcity. Many farm families in Nigeria are reported as among the poorest, in spite of their producing food as a primary preoccupation. However, the low financial capability (poverty) prevents them from buying food when their supplies are down during the low production season. For them, seasonality introduces a dimension of food insecurity due to transient income-poverty. Many farmers migrate to the urban centers in search of income in order to beat their food insecurity (hunger) because of income poverty. In Ethiopia, while the country produces food to meet national food sufficiency needs, those in the remote highlands who face declining land availability per family, soil erosion and low annual rainfall remain hungry due to low proximity to the food stock and low income to bring the food closer. Whereas the rich will purchase scarcely available food at any cost and remain food secure even during famine, the poor can and usually remain food insecure even in periods of national bumper harvest. The resulting malnutrition from perpetual hunger further reduces the capacity to farm efficiently, reinforcing future food shortages and further lowering income and leading to chronic poverty.

It is therefore right to say that hunger (food insecurity) is a direct symptom of (income) poverty as the base condition and not of production shortfalls per se. Reducing food insecurity is directly linked with reducing world poverty and no amount of food stockpiles in America will reduce food insecurity in Africa unless the income-generating capacity of the poor, including African farmers is enhanced. What is needed for most of the world's rural poor is diversification of income base beyond agricultural production. Strategies for poverty reduction and food security must therefore be closely linked because poverty is associated with hunger (Short, 2001).

The focus of subsequent sections of this paper will be to link poverty and hunger within nation states and the world at large with globalization. Is 'this thing' called globalization reducing poverty or is it exacerbating food insecurity? This paper goes further to situate these linkages by addressing those areas where the forces of globalization and integration of the world's economy has prospects for the "dieting half" of the world's population but may spell ominous trends for the "hungry half" of the global village. In the next section, the myths of definition of the term globalization is unveiled, in section three, the causalities between the main features of globalization and food insecurity and poverty are discussed while policy implications and conclusions are presented in the final section.

2.0 What are the Main Features of Globalization?

Globalization is the culmination of a process of world economic reforms that started over 20 years ago, mainly in the developing world, as a result of debt crises, natural resource degradation, population explosion, growing militarism of governments and human rights abuses. As emerging from several World Summits over this period, a fundamental paradigm shift was experienced which called for more cooperation, collaboration and participation of all nations in redressing the ills which were nationally generated but globally experienced in their impacts. So while at the end of the last decade of the 90s, the world was assessing the impacts of the reform policies, ten years on, the world is on a threshold of a new order which has been created and which is now the greatest driver of the development process.

The most acceptable thing about globalization is the confusion and conflict over its meaning and what it portrays for different actors (Anderson, 1999). To the hungry half in the developing world and especially their poorest, the term signifies the entry of a monster with an agenda that is far worse than that of the IMF. For the other half, it signals a whole new world of opportunities where there is now a proprietary right to make a grab at the world's goodies in any remote corner. One consensus is that globalization, just like its better-known phenomenon, liberalization, will yield winners and losers. It is however contented that the net gains of the gainers will be bigger than the net loss of the losers and on the balance, the world will be better of with it than without it (IFPRI, 1999).

The basic features of globalization include integration of trade through the removal of barriers (currently being midwifed by the WTO), vastly increased capital mobility especially to growth areas in the developing world, higher speed of technological change and diffusion, as a cause and consequence of the earlier two factors, expansion in world consumerism fueled by information and technological penetration. Other features include a wider diffusion of democratic governance, rising importance of the civil society, participation, cooperation and emergence of international legal and regulatory framework leading to an integration of a fundamental principle of global accountability in all the above areas (IFPRI, 2001). Some of the less welcome features (outcomes) result from the behaviour of individuals and societies such as environmental degradation and global climatic changes spread of HIV/AIDS and explosive crises in financial institutions and corruption at a global scale.

How integrated with the world economy are those countries where the above ills are mostly evident and what are their internal conditions that reduce their capability to participate in the income-growth process that globalization offers? In other words, how is globalization linked with the increasing state poverty and food insecurity in those countries?

3.0 How is Globalization Linked to Poverty and Food Insecurity?

In a fundamental way, most policies being made by individual countries to enhance their internal capabilities or reduce negative forces are determined by the nature of its linkages with the international arena. Macroeconomic policies for production enlargement, income creation, technology development, information diffusion, institutional linkages and so on, can no longer be formulated without examining the relative position of that country in the global world of **trade and technology**, which are evidently the major drivers of globalization.

3.1 Global Priorities and the National Policy Processes

One of the most touted links of globalization with poverty and hunger is the power shift between the nation state and the market on one hand and between global governments and national governments on the other. The effect of these is a dependency of policies, not only on its socio-economic climate and the short term needs of its people but also on the ways in which such policies will affect the relative wealth position of the nation vis a vis the global wealth. Therefore such policies as interest rates, for instance, may not be premeditated on the internal savings and investment climate alone but also on the nature of global capital mobility as it is likely to affect direct foreign investment in that country.

The direct effect of this on poverty has been a reduction in social accountability – that is, personal security (including food security) is seen more and more as a personal responsibility of the individual (Choudry, 2002). Social safety nets are thus being squeezed out of budgetary allocations of many developing countries in favour of trade and technology related expenditures. South East Asia, fueled by its phenomenal growth in the financial markets and technology development in the 1980s, pioneered this trend by reducing public social spending to between 5% and 15%. The effects on, first the population by way of increasing poverty, even in the face of marked industrial growth and employment generation are too well known (Bello, 2002).

On the global scene, there has been a secular decline of overseas development assistance to poorer nations. This has affected the agricultural sector mostly. Furthermore, the scenario has been worsened by the low global agricultural prices, which reduce the effective economic returns to funded agricultural project, compared with other sectors. There is increasing demand for cost-effectiveness of loans and grants, as championed by the World Bank itself (World Bank, 1990). Lending by the World Bank to agriculture and rural development started declining in the late 1980s and reached its lowest in 1998. Most bilateral donors have also reduced their investment in the agriculture sector over the last 20 years, mainly because there are other serious concerns, heralded by globalization, that compete with agricultural development, such as democracy and good governance, environmental sustainability, HIV/AIDS pandemic and increasing demands for information technology. Therefore, although poverty reduction and food security continues to feature larger on the global development agenda, agriculture, the food sector that is most implicated has continue to fall lower. In this analysts are shifting from the critical issues of how much is being produced and how is it being distributed, to issues of the ethics and politics of production.

3.2 The Product or The Process?

Globalization ensures that the same products are available in many markets due to the openness and wider accessibility that technology and trade liberalization foster. The questions of choices, preferences, standards and so on have become more relevant than the availability of the food itself. While many of these issues such as labour standards, working conditions, genetic composition, the types of agrochemicals used, use of child labour, gender equity and so on are relevant, they do keep the food away from the tables of those who desperately need it. For instance, the growth in employment opportunities for women in the agricultural and industrial labour markets are sometimes beclouded by the issues of gender wage differentials and lead to policy changes that move the women away from primary production to other production systems where they do not necessarily have comparative advantage. A vivid example is the expanded textile and garment industry in the Far East, which spiraled the income space for a large segment of the overpopulated countries citizens, especially women (ILO, 1998). The phenomenon became overridden by issues of labour standards and working conditions, which led, in some measure, to the reduced access of these countries to the food and clothing market, thereby cutting off the poor from an estimated $700 billion in potential markets between the 1980s and 1990s alone.

On the medium to long term, these issues remain pertinent and so, for poor developing countries, must be treated in the medium to long-term perspective. On the short run, pressing issues of raising agricultural productivity, creating alternative off-farm employment to enhance income-generating potentials via agriculture-led industrialization must take centre stage. And because the latter necessarily feeds on and benefits from cheap labour, it may be the realistic policy option. As far as Africa is concerned, yield potentials still fall far short of average world levels. In the short to medium term, more of the world's food surpluses will come from Africa. As such, for Africa, the product will continue to be the over-riding concern, and not the process. The threat is if the forces of globalization such as e-commerce, tariff peaks, outsourcing and so on take these surpluses away from Africa's poor. The choice remains one between export earnings and domestic self-sufficiency. To what extent will the poor be engaged in the process of production expansion and agricultural diversification and income growth? As farms get larger, will the small farmer, like the Chinese rice farmer, be snuffed out of the market or enabled to enlarge his stakes in the agricultural market? This leads us to the next potential threat of globalization to the poor – what resources will the small farmer have to cope with globalising forces of socio-economic transformation?

3.3 Socio-Economic Transformation: Wither The Small Farmer?

As national governments bend to the might of global powers, national governments will need to remain flexible and sensitive to local conditions so as to effect the socio-economic transformation that is necessitated in every emerging economy. To be globally competitive in an agriculturally-led, income-growth process, agricultural productivity rise must lead to freeing of rural labour to take up rural off-farm employment that are created from managing the surpluses of primary production. This is important to sustain the demand for increased food production without simply shipping poverty from the rural into the urban centers as has occurred in many developing countries. Rural economic transformation is therefore a necessary condition that will reduce hunger and poverty of the 70% odd rural dwellers in Africa in the process of market expansion. Such transformations will help in diversifying goods and services and attract global capital flows into emerging economies. In this regard, important national policy components are needed which must be pro-agriculture, especially in the form of higher levels of subsidy. Overstated exchange rates must be internally managed for this purpose, not least to keep the terms of trade favourable to the sector, just as investment in public goods needed by the poor – physical infrastructure must be provided, even against the backdrop of the encroaching forces of the markets. It is only under these conditions that markets can eventually replace public dependency.

What is likely to be the commitment of developing countries to increasing public social spending when reform forces, debt management and falling share of world markets dictate otherwise? One also needs to ask why the governments of developing countries are not taking advantage of the "green box clauses" of the WTO which allow, under several justifiable conditions, considerable legitimate public investment in infrastructure, human capital development, information and market development, agricultural research and extension. High-income countries are investing significantly under these clauses, including massive agricultural subsidy, even when this is hardly justifiable while low-income countries that need these leverages are grossly under-investing. Some have blamed this again on the secular decline of overseas development assistance to developing countries' agriculture. The strength of this argument must be weighed against the financial and political ability and willingness to reorder priorities within the nation state's available resources.

No doubt, going from small to large is an unavoidable option for ending hunger in Africa. Large means capital-intensive technological investment while small means labour-intensive methods. For the small farmer, capital is expensive while labour is cheap. So, transforming from small to large is inefficient. This means that for now, only larger farm, mainly owned by trans-nationals and a smaller number of more productive and innovative small farms are poised to survive the transformation. As diversification comes in, wages will go up in the rural and peri-urban areas, capital becomes relatively cheaper and technology becomes more efficient. But this is a medium to long-term process. Nonetheless, a vision for overall growth is a vision for socio-economic transformation, which must empower the huge rural population via industrialization, commerce, market integration and a shift to trade-based food etc. They must be empowered by the legal and regulatory bodies like the WTO to participate increasingly in the enlarged world food market, both for trade and for meeting food needs. Agricultural trade policies in developing countries will thus continue to be closely tied with the globalising forces of reform, which promote or enforce trade liberalization, with the WTO being the global framework for enforcement.

3.4 Is The WTO Benefiting Developing Countries?

What are the possible effects of WTO agreements on domestic food security and poverty? First, let us consider the political position or clout of a developing agrarian country like Nigeria within the WTO. Of the 134 member nations, 80 per cent are developing countries, including 29 of the 48 countries classified as least developed. Therefore, theoretically and based on the one-nation-one vote and consensus method of decision making, a more active and better informed participation of the LDCs should lead to more favourable terms of agreement for them. For instance, initial opposition of Northern Ireland to the Nice Treaty threatened the proposed expansion of the EU, in spite of the fact that Ireland is not a net contributor to the Union funds. But an informed Ireland used its bargaining position to attempt to restrict a diffusion of the agricultural subsidy funds from which it has benefited tremendously. Basically therefore, no country should be considered enslaved to any WTO treaty or agreement if it finds it undesirable (Diaz-Bonilla, 2000).

In addition, all countries are expected to benefit more from the “green box clauses” which allow agricultural trade protection and subsidies under certain conditions and also allow legitimate public spending in sectors that create leverage for participation. Indeed the current level of subsidy being applied by many African countries is still considerably lower than the limits that they are allowed. The restrictions arise from the fact that certain kinds of subsidies are not allowed because “such subsidies were not in place before the Agreement on Agriculture” came on stream. On the other hand, the EU still operates subsidy levels of up to $1billion a day or $2 per cow per day, which cannot be justified either on equity or efficiency grounds. Under this scenario, continued trade relations with these countries pose threats rather than advantages to developing countries, especially to the net agricultural exporters. The concerns are therefore that opening up agricultural markets will hurt poor countries due to such unfair competition.

3.5 Impacts of Agricultural Policies of Developed Nations

There are several ways in which agricultural policies such as the above by the EU and others by the developed countries of the OECD pose threats of continued poverty and food insecurity in LDCs in the process of globalization, trade liberalization being one of its most visible features. Essentially it can and should create greater access of the poor to new markets thereby raising income and expanding local production and food access, *inter alia.* The earnings from export can bring needed capital and market skills to expand local production and initiate the quality systems required to connect local systems to global demand. Expanded trade can bring trade-based food security strategies to supplement or replace local food production, via cheap imports. It can also increase the flow of food aid to offset swings in local availability. On the other hand, new export potentials can starve the domestic consumer market by attracting products to higher priced export markets and artificially raising domestic food prices. Other threats to these potentials are the influx of cheap imports on profitability of local production. More importantly is the threat posed to this same market accessibility by the trade policies pursued by developed countries, especially the EU. There are over-riding reasons to conclude that these are crafted, not to encourage a more open market but to send agriculture-dependent developing countries economies into extinction, thereby exacerbating poverty and food insecurity (McCalla, 2001, Priyadarshi, 2001).

It is an anomaly in a free market system, that for most of OECD countries, a sector that contributes less than 5% to GDP is heavily subsidized while in most LDC, agriculture which contribute over 60% is heavily taxed, directly or indirectly. In a world where all countries are linked by trade, these anomalies can no longer be viewed on a country-by-country basis. It is paradoxical that these same nations purport to place issues of poverty reduction and world food aid high on their policy agenda, believing that increase in world food stock is the necessary and sufficient condition for achieving food security.

Let us look at four major policy factors holding down agricultural growth in poor countries. These are domestic price support; export price support, tariff and market access and non-tariff barriers.

3.5.1 Price Support Policies

The models in Figures 1a and 1b (see appendix) depict the crushing and cyclical effects that domestic and export price supports in OECD countries have on developing countries' agriculture and their state of poverty and food security. For a net exporter (Fig 1a), the situation is very complex while for a net importer (Fig 1b), it is simpler and may appear beneficial on the short run, but on the long run, it is still devastating. Both conditions lead to reduction in domestic production either because of low market access or because of cheaper imports. For the net importer, while domestic production remains depressed, the adverse effect on food security comes when world food supplies are declining. They now face higher import prices and incur more trade deficits and debt, which prevents them from investing in other income generating programmes or enabling conditions to revamp the food sector. For the net exporter, loss of market access and falling global prices reduce export earnings and producer income, dry up the capital base for production expansion and make production more inefficiently. This is an antithesis of the labour-capital substitution that globalization should foster. By capturing more than their fair share of the market, OECD nations erode the very principles of competition that free trade proposes to entrench. For now, if 90% of rural dwellers have to produce what they eat, that production capacity may often have to be enlarged by increasing populations – another concern for poverty and food insecurity. If agricultural productivity is a key to poverty reduction, any policy that depresses world prices of agricultural commodities such as the Common Agricultural Policy (CAP) of the EU, is a bad policy move for agrarian countries.

3.5.2 Agricultural Protectionism

This is another negative factor in the trade liberalization debate. Developed countries pursue agricultural protectionism, along with other trade restrictions, sanctioned directly or indirectly by the WTO. Agricultural protection is a tax on food consumption since it helps to keep prices artificially high due to supply restrictions. The imposition of tariff peaks and other non-tariff barriers on imports of selected agricultural products coming from developing countries has been widely debated under the WTO. While domestic processing in developed countries are protected by tariff escalation on other importing countries, these products face increasing levels of tariff for increasing levels of processing in exporting countries. Thus, while OECD nations gain as net exporters of processed commodities, LDCs lose both as importers of high priced processed consumer goods and exporters of highly taxed commodities. Non-tariff barriers have been more restricting because they are often unilaterally fixed or bilaterally administered, under the cover of safety standards, quality restrictions and so on. Developing countries will continue to fall fowl of quality standards unless global technology and capital flows aid in improving such linkage activities.

In this context again, only larger farmers with more efficient technology can benefit. The poorer and vulnerable and their households remain disadvantaged because they cannot access the bigger markets better prices yield more capital. Another dimension to protectionism is the type of goods that are being taxed. Currently, processing attracts increasing taxation in developed countries' markets. This has discouraged industrialization in agrarian countries, hurt employment and income prospects and encouraged unrestrained export of primary products, which, cyclically, continues to drive the prices further down. A cyclical pattern of low production, seasonal shortages, and fluctuating prices, with high seasonal peaks, reinforce poverty of farmers and worsens food accessibility for poorer consumers.

3.6 Globalization and the Flow of Food Aid

In the whole evolution of the issues around globalization, social responsibility has been most compromised by free trade policies, which give the nation state less control over agricultural entrepreneurship. Social safety nets for the poor have become a less important issue, leaving the OECD nations and the United States to use their huge stockpiles of food to make war rather than wealth and to use in world diplomacy. Indeed for the 800 million poor around the globe, how much more significant progress would be made in reducing hunger if the $1billion agricultural subsidy committed each day to support farmers in rich nations is translated into $1 a day in human safety nets. The role of international food aid in monitoring agricultural price volatility comes to the fore. It is believed that while food aid may help to alleviate food insecurity, in net-importing countries, in food exporting nations, the flow of world food aid may not be as important as a flow of technological aid to promote production capability. In either case, food aid will not translate into long-term food security that improves income potentials of the poor. Rather world food aid would solely be a political tool in the short-term management of food insecurity.

4.0 Policy Implications

The policy concerns are to identify in what ways globalization can be made relevant and central to the reduction of poverty and hunger rather than be a cause for these ills.

National priorities must be realigned to better benefit from the trend. First national governments must be better informed about their relative advantages and disadvantages within global and regional economic systems such as the WTO. In this way, strategies can be formulated to keep the issues of relative disadvantage high on the negotiating table and secure more concessions for African countries to maneuver. Effective lobbies within regions and between regions are necessary. Usually trade negotiations tend to be a bilateral rather than a multilateral issue. Therefore, each country must be tactically aware of the potential harms and benefits of trading with the other.

The recently formulated NEPAD is a step in the right direction and should place Africa in a better position in ensuing negotiations. Other regional blocks such as the SARDC, SAREC, and APEC need to come out with their own agenda for more effective participation in global debates and strategies. As part of information enhancement, there must be a closer collaboration between national and regional institutions of policy, research, training and so on. Policy makers will benefit from the technical pool of research institutions while training institutions' agenda should be made more relevant to global concerns.

Developing nations need to take better advantage of the beneficial clauses of world trade negotiations which allow more national protections if national policy strategies are made with the clauses in view and with the right dose of global diplomacy. For instance, other forms of support for farmers are possible which would translate into forms of subsidy without being explicitly called subsidies. There are rooms for more government involvement in agricultural, infrastructural and physical informational development than are being currently employed.

Progressive and sustainable democracy has a positive effect on the ability of nation states to retain relevant social institutions for the management of vulnerability among its populace. Representative democracy will ensure freer participation of people including the poor in decision making that are of direct benefit to them. Democratic structure will promote accountability that ensure that programmes to alleviate poverty and delivered with more precision and with minimum leakage. Benefits of global legal and regulatory mechanisms can also enhance attention to issues of empowerment and affirmative action, which can create necessary, leverages to lift disadvantaged groups such as women, non-indigenes, the elderly, the disabled out of chronic poverty.

Agriculture especially the food sector still remains central to the removal of food insecurity and poverty alleviation especially in a country like Nigeria where majority are employed in that sector. Ability to raise farm incomes of this majority is a major antidote to both chronic and transient hunger. On the short run, more liberal, compensatory policies in the areas of subsidy and its effective management, infrastructural development, and export technology influx. On the medium to long terms nation states must engage in trade agreement that will exchange product surpluses for technology for agro-based industrialization, an avenue for greater employment and income for the abundant rural labour force.

In terms of the appropriate structure of enterprises that will survive in the face of growing world competition, it is imperative that technological structure and size of farms must change on the medium to long terms. Farms must become more structurally amenable to higher technologies such as mechanization. Agriculture must become more technology-driven rather than labour-driven. For now, labour is cheaper for small farmers and technology is inefficient because of the small size of farms vis a vis the capital requirement of higher technology. As farms get larger, production will increase and commodity prices will fall. Labour, at current costs will become less efficient and technology becomes more efficient in comparison. The EU's Common Agricultural Policy, rather than being hatcheted, must be a model for regions of developing countries in creating farm surpluses for agriculture-led industrialization via its massive farm support policies. Such strategies will increase the market share (of processed, rather than primary goods) of agrarian developing economies on the world market and farmers' income, inter alia. To increase the global market share of developing agrarian countries, significant market development must take place. Attention must be placed to issues of product quality, packaging and standardizing.

Ethical considerations in the realm of production, although appear to be of distant relevance, are not far-fetched. Environmental considerations must go, pari passu with technological development so that Africa can stem the growing tide of natural resource degradation and negative environmental impacts of growing technology and its impact of health and productivity of the work force.

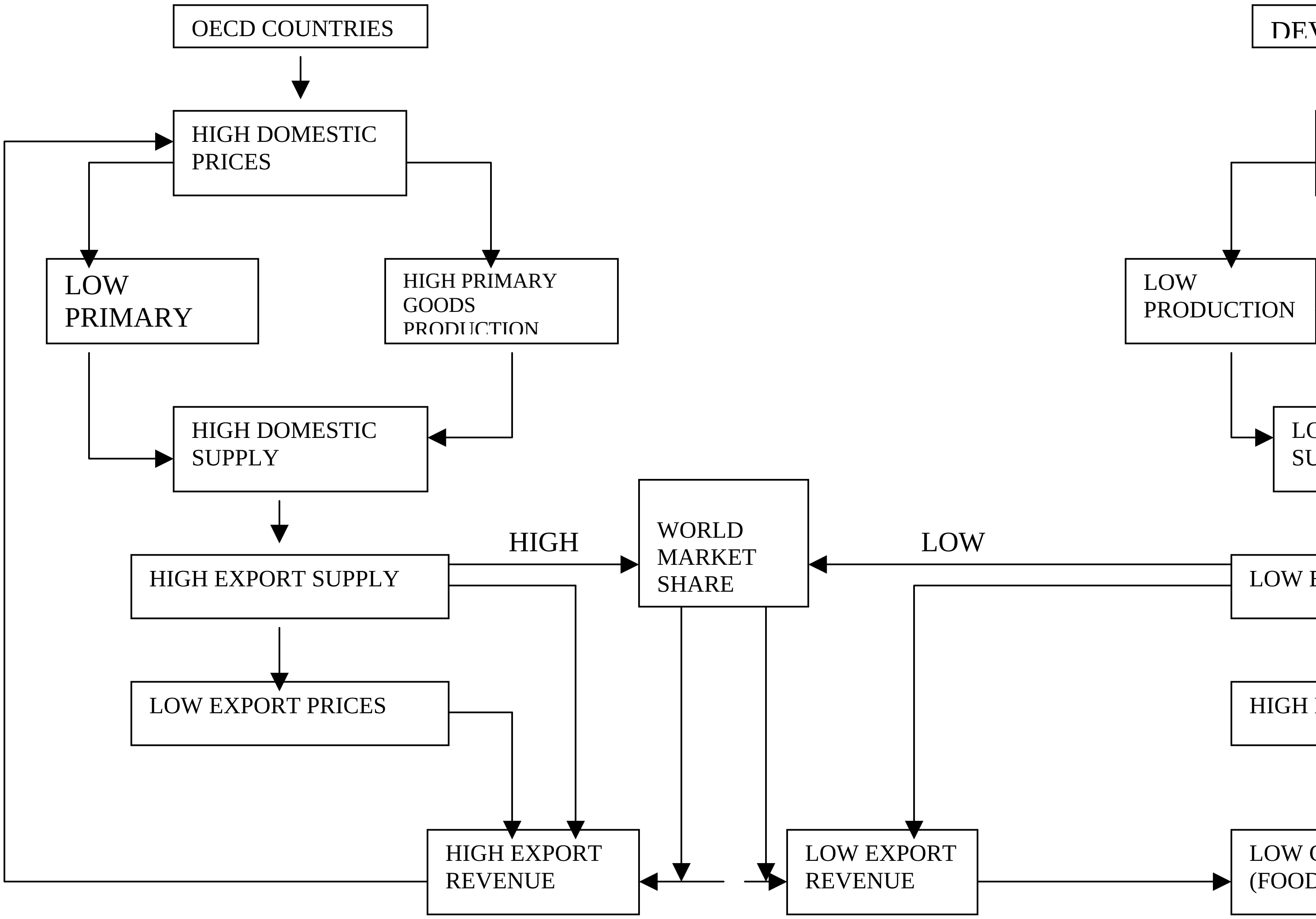
Safety nets are crucial in managing food insecurity as well as chronic and transient poverty. This is essential in order to avoid a decimation of the active work force. The role of the civil society is central here. These institutions have a role, not only to continue to advocate for social accountability in managing food insecurity and poverty, but also to ensure transparency in the delivery of food and other aids.

Other global policies that create vulnerabilities such as wars, ethnic and religious rivalry, terrorism and negative international diplomacy and a gradual return of political colonization need to be brought under control through concerted resistance of the developing world. It is the belief that national consensus, national reconciliation and regional economic blocks will result in more friends than foes in the global interactive stage. Thus moves to promote economic groupings within and between regional blocks are a step in the right direction.

5.0 Conclusions

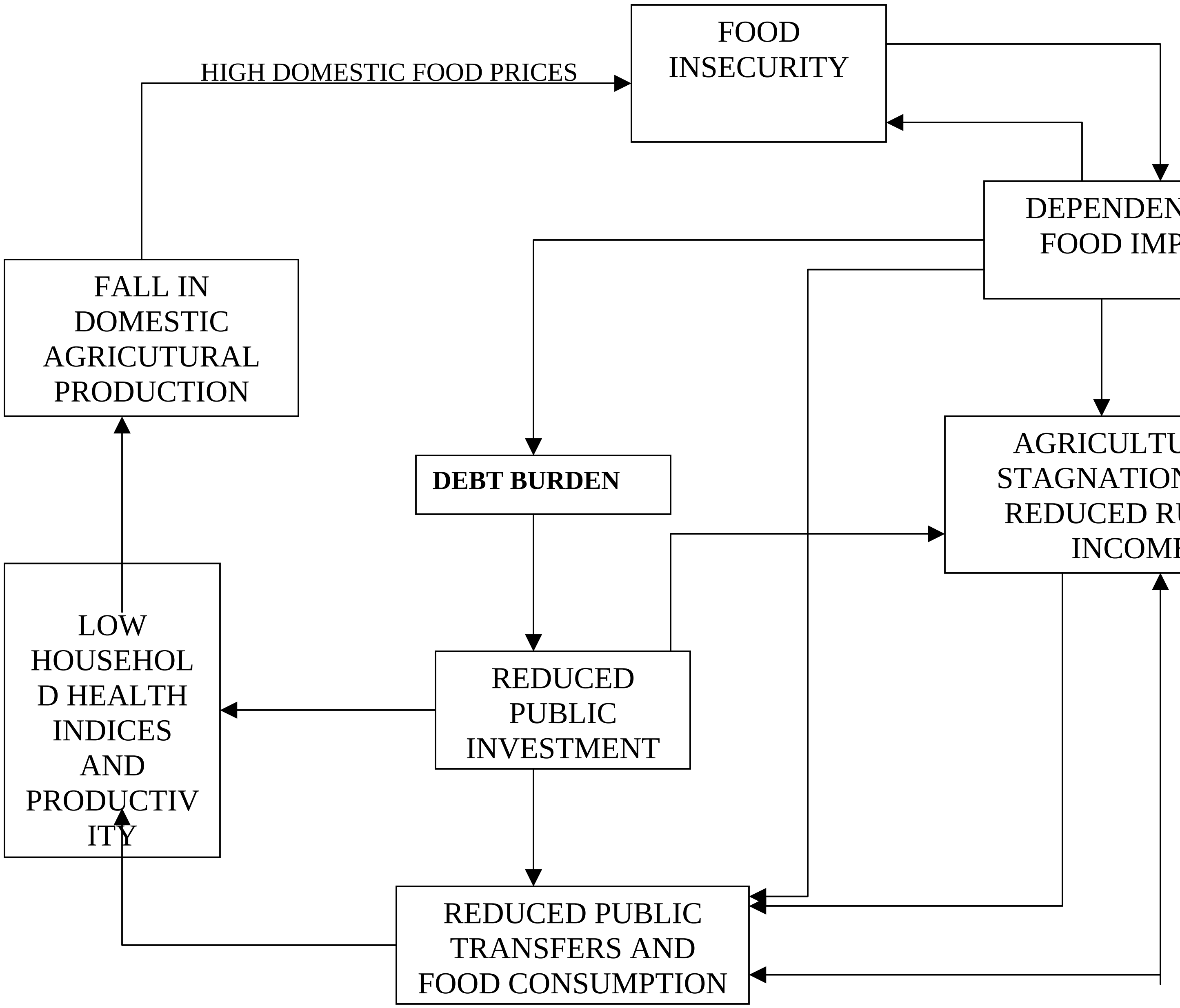
This paper has examined the issues of hunger and poverty of national populations within a global context. The growing interrelatedness of national economies is seen as a factor which, although has potential benefits, can and has created more vulnerabilities and disadvantages for populations of the developing world where national policies are not being formulated to respond to and mitigate the negative fallouts of world competition. The driving forces of globalization – viz trade liberalization and technology expansion have so far not yielded benefits to developing countries. Rather they have brought increasing competition with these nations production systems, depressed the prices of developing nations' products and reduced their effective market share. The poor currently have little or no assets with which to compete and farmers in poorer countries are technologically backward and too small to be efficient in the ensuing world competition. The trade negotiations of the WTO and the economic policies of the OECD are also seen as currently detrimental to the growth of the crucial agricultural sector. Better-informed national policies and strategies are required for developing countries to take advantage of the global trade agreements and be better positioned to compete with developed countries in the producing for the same world market. A cyclical pattern of income constraint, limited production scope and worsening food insecurity is envisaged unless developing countries pay close attention to promoting developmental features such as democratic institutions, technological improvement, infrastructural development, information access as well as the civil society as institutions for social responsibility. Globalization will of necessity yield winners and losers. However it is a responsibility of the same global institutions to reduce the population of losers, promote equity in the distribution of the gains and manage the vulnerabilities, including poverty and food insecurity that sought to be transient results but are fast becoming chronic ills of the globalising world order.

Figure 1a: Effects Of OECD's Common Agricultural Policy (CAP) On Developing Nations' Agriculture And Food Security (Net Exporter)



Source: Author's Compilation (2002)

Fig 1b: CYCLE OF FOOD INSECURITY IN POOR AGRARIAN NATIONS (NET IMPORTER)



Source: Author's Compilation (2002)

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