



Agribusiness and world hunger

Despite scientific and technological progress poverty and hunger in the world is increasing and the gap between rich and poor is broadening. How can this situation be explained? What role is played by transnational corporations in world agriculture and commodity trade? What are the possibilities of nation-states to change their agricultural policies in the struggle against world hunger?

These are some of the questions analysed in this issue of Raw Materials Report. The following editorial sums up some of the basic political principles expressed in our choice of material for this issue.

In a recently published bibliography on hunger in the "third world"¹, the author has cited 3 286 articles and monographic works. With the increasingly difficult task for individual researchers and journalists to systematize and evaluate the very large amount of information on development issues published each year, bibliographies of this kind are most welcome and necessary as working tools in researching one of the most urgent political and economic problems confronting mankind today.

The limits of academic research

Unfortunately however, despite many merits, this book has a narrow perspective shared by many (most) academic bibliographies in this field published in the western industrialized countries:

- the role of TNCs (here mainly agribusiness, finance capital and the links between them) is neglected or underestimated. In this book there is not a single reference to a TNC or a private bank in the subject index
- the role of trade unions is not discussed
- no information is given on research and development in the socialist countries.

It could be argued that adding information on these subjects would have made this bibliography too extensive and thus difficult to use and, presumably, unprofitable to publish. But in our view the problem is not one of quantity, but one of *political choice*, and it can only be solved by selecting articles and monographs from an explicit *class perspective*.

Three models of development — three directions for research

The necessity of a class analysis is in fact advocated in the foreword, where Susan George evaluates three models of development. After having introduced the growth/trickle-down model, "which seeks the increase of gross national product through industrialization and by con-

centrating on those elements of society supposedly most 'modern' or 'entrepreneurial', she summarizes the model based on the dependency theory, which holds "that there is a center (the rich countries, with the US as the center of the center) and a periphery (the third world) and that the former has consistently exploited the latter since colonial times. The goal of development is thus to correct this historic and ongoing imbalance through the use of measures summed up in the New International Economic Order (NIEO)". She then describes the third model in the following way:

"The third model does not deny the need for an NIEO, but tries to enrich this concept with class analysis. The world is not merely divided into rich/powerful and poor/relatively powerless nations: all countries, including the rich ones are characterized by a dominating and a dominated class (each, of course, with its own subdivisions)."

The unknown power structure

If you accept the necessity of analysing world hunger as a result of a global *class struggle* you will have to confront many obstacles. One of the most important is the unwillingness of TNCs, national governments and, unfortunately, most international organisations to make public the data necessary to carry out an analysis of the power structure, nationally and internationally. In the US the situation has been well described by a recent Congressional study² :

"Yet, most members of the public have little knowledge of the structure, size and power of American business. They do not know who really owns and controls the giant corporations or who really determines their corporate policies. No Federal agency provides this information. Nor has there been any comprehensive study in recent ti-

mes to identify the degree to which the largest companies are concentrated. Some agencies and Congressional committees have made sporadic and limited inquiries into the matter, but the overall mosaic of present day corporate control has yet to be described.”³

And the study goes on to say:

”Until last year, the public was not able to determine the interlocks of directors on most major corporate boards, *except from private and expensive information sources.*”⁴ (italics by RMR)

This situation is not unique. In most Western industrialized countries the public is (kept) unaware of the immense economic and political power concentrated in the hands of a few giant transnational corporations.

In this issue of RMR we look at the TNCs with a special emphasis on their role in world agriculture. We also have a general analysis of the relationship between capital and nation state, a commodity report on salt, an area report on Ghana and Liberia and interviews from the Swedish mining industry. These articles focus on different aspects of the transnationalisation process but they all share a research ethic formulated by Susan George, an ethic which is also one of the basic guidelines for RMR:

The reader, and especially the writer, should not forget that researchers, too, stand somewhere in the power structure. Their work can be used by the rich against the poor, but one may also hope, vice versa. Why not turn

our sights towards those who hold control, with a view to give a clearer understanding of their activities to those whose lives they affect?”⁵

Notes:

- ¹ Ball, Nicole. *World Hunger, A guide to the Economic and Political Dimensions*, Santa Barbara/Oxford 1981.
- ² *Structure of Corporate Concentration, Institutional Shareholders and Interlocking Directorates Among Major U.S. Corporations*. 2 Vols. Committee on Governmental Affairs. U.S. Senate. December 1980.
- ³ Ibid Vol 1 p 28
- ⁴ Ibid Vol 1 p 30
- ⁵ Ball ibid p xxii

30 M AUD and 300 t/d?!

No, these are not misprints but the introduction in RMR of two internationally approved standards, for currencies and for physical units. We do this to avoid all problems of interpretation for example whether the text refers to Australian dollars or US dollars, whether figures are given in short tons or long tons? We hope this will not cause too many problems before our readers get used to the new systems. To facilitate the process we will introduce the standards in detail and give further explanations in future issues.

Codes for representation of currencies and funds (ISO 4217-1978)

These codes were adopted in 1978 and have gradually been introduced internationally. The codes are now approved for example by the Society

for Worldwide Interbank Telecommunications (SWIFT). In principle the codes are made by combining two letters for the state and one letter denominating the local currency, as for example Australian dollar AUD. Some codes which we will use frequently in Raw Materials Report are:

Belgian franc	BEF
Brazilian cruzeiro	BRC
Canadian dollar	CAD
Chilean peso	CLP
French franc	FRF
West German mark	DEM
Japanese yen	JPY
Netherland guilder	NLG
Swiss franc	CHF
Soviet ruble	SUR
Swedish crown	SEK
Pound sterling	GBP
South African rand	ZAR
US dollar	USD

The Metric System

This system is slowly spreading around the world and RMR will use the stan-

dardized symbols for the different units together with the approved abbreviations for multiples of the basic units.

Two examples: 300 t/d means 300 metric tons per day (24 hours) and 30 M AUD, a combination of the two systems, means 30 million Australian dollars.

The most commonly used units are:

	meter	m
	kilogram	kg
	ton (1 000 kg)	t
	liter	l
	cubic meter (1 000 l)	m ³
	second	s
	hour	h
	day (24 h)	d

Some of the prefixes used to make suitable units are:

10 ³	kilo	k
10 ⁻³	milli	m
10 ⁶	mega	M
10 ⁻⁶	micro	μ
10 ⁹	giga	G
10 ¹²	tera	T