

The Globalization of the Agricultural And Food Sector and the State

RC-40/ISA

The project involves research on the relationship between the State and current processes of globalization of the agricultural and food sector. Literature on this topic has identified a discrepancy between the sphere of State action and the sphere of social and economic activities pertaining to the agricultural and food sector. The latter is increasingly transnational, while the former is still predominantly domestic despite emerging attempts to create new transnational State forms. This gap mandates research on the manners in which the State responds to changes occurring in the sector.

Research Committee on Sociology of Agriculture and Food (RC-40) of International Sociological Association (ISA).

Introduction

The proposed project involves international and interdisciplinary research on the manners in which the State responds to the globalization of the agricultural and food sector. Despite a growing debate on the globalization of the agricultural and food sector, the issue of the relationship between the polity (the State) and the socio-economic sphere is in need of theoretical clarification and empirical research. This project seeks to address both of these lacunae by proposing a two phase research. The first phase consists of three workshops aimed at the elucidation of theoretical and methodological issues and the preparation of a proposal for the execution of the empirical portion of the project. The second phase involves empirical investigation on the relationship between polity institutions and agents and economic institutions and agents in the agricultural and food sector.

Statement of Problem and Justification

A. Problem

The problem being addressed in the proposal pertains to the emerging discrepancy between the polity and the economic sphere in regard to the agricultural and food sector. The economic sphere is increasingly transnational, while the polity is still predominantly domestic. Previously, the evolution of the economy was accompanied by the establishment of a State apparatus (the polity) which, through its

jurisdiction, fostered economic growth. The transnational phase of economic development has fractured this relationship as economic processes tend to transcend the jurisdiction and powers of any single domestic State. In this context, the problem to be addressed pertains to the manners in which the State responds to the globalization of the economic sphere in the agricultural and food sector.

The globalization of the economic sphere in general and of the agricultural and food sector in particular has been identified as one of the major features of the new socio-economic organization of the world (Bonanno, 1989; Constance and Heffernan, 1991; Friedland, 1991; Friedmann and McMichael, 1989; Kenney et al., 1988; Lipietz, 1987; Piore and Sabel, 1984). In essence, globalization of the economy refers to the recomposition of production processes across national boundaries in such a way that they transcend the locus determined by the physical limits of the nation-State. Globalization also involves the following corollaries.

a) There is a qualitative difference between the multinational phase and the global (transnational) phase of socio-economic development. In the transnational phase the association of economic activities, identity and loyalty of companies with a particular country are decreasingly visible (Borrego, 1981; Friedland, 1991; Harrison and Bluestone, 1988; Picciotto, 1991; Pitelis, 1991; Sassen, 1988).

b) The transnational phase of economic development has affected the internal organization of the productive sectors through integration processes at the spatial and sectorial levels. Spatially, globalization indicates an intensification of agricultural specialization at both the regional and productive unit levels through the integration of specific crops and livestock into agro-food chains largely controlled by transnational corporations (TNCs). At the sectorial level, it involves the increasing transformation of agricultural products from items destined to immediate consumption into inputs for the greater food manufacture system (Constance and Heffernan, 1991; Friedman, 1991; Goodman et al. 1987; Gouveia and Stanley, 1990; McMichael and Buttel, 1990).

c) Globalization has affected the use of labor in the

agricultural sector through the emergence of the figure of the multiple job holder, jobs increasingly based on flexible time, and migratory workers (Bonanno, 1989; Pugliese, 1991).

d) Production of cheap and abundant food has been paralleled by economic crises in regions of developing countries and in some regions of developed countries and by an increasing differentiation of the production/consumption linkage. The former refers to regional inequalities generated by processes of economic integration and global terms of production and trade. The latter refers to the divergence between local food demand and local production.

In previous phases of socio-economic development, problems emerging from the expansion of economic forces have been addressed through State intervention in order to foster the conditions for the continuous accumulation of capital and to foster social stability and harmony in society as a whole. These "functions" of the State have been considered fundamental for the socio-economic growth of society and for the continuing of the existence of the nation (Block, 1980; O'Connor, 1984; Offe, 1985; Poulantzas, 1978). In the agricultural and food sector, State intervention has often characterized patterns of economic expansion and social outcomes, both at the production and consumption levels (Constance and Heffernan, 1991; Friedland, 1991; Friedmann and McMichael, 1989).

The globalization of the economic sphere has limited the ability of the domestic State to a) control economic activities, as they transcend the spatial jurisdiction of the State; and b) intervene to address economic and social problems. In this respect, many observers have argued the existence of "a crisis and restructuring of the domestic-State" (Barkin, 1991; Bonanno, 1991; Borrego, 1981; Friedland, 1991; Harrison and Bluestone, 1988; McMichael, 1991; Picciotto, 1991, Pitelis, 1991).

The State is defined as the country's government, its national and local (regional and municipal) agencies, national and local government agents and agents who operate on behalf of the State.

B. Justification

The proposed research is justified by a number of considerations.

First, the agriculture and food sector has historically been a fundamental sector in terms of national socio-economic development. This situation stems from the existence of a number of factors, including the following ones:

- a) the social, economic and political importance of the agricultural population;
- b) the national priority of maintaining the capacity to sustain the domestic population;
- c) the importance of maintaining food security at the national level;
- d) the direct and indirect economic and social relevance of agricultural and food production.

Second, State intervention has been central in the development and organization of the agricultural and food sector. Given the social, economic and political importance of the food and agricultural sector, the State has been called on to intervene in regulating and supporting activities in this sector. State intervention has been aimed at a number of issues, including the following ones:

- a) to stimulate and control food production and consumption through the establishment of food policies;
- b) to guarantee a system of food security through self-sufficiency and/or exchange;
- c) to employ food policy as an instrument to establish desirable international relations;
- d) to direct agricultural and food production toward safer environmental and health patterns;
- e) to promote the availability of products to needy segments of society worldwide;
- f) to promote the availability of better quality food and agricultural products.

Third, the altered relationship between the economy and the polity illustrated above limits the possibility of the domestic State to perform functions of regulation and control. This situation is particularly important for three related reasons.

- a) There is a decreased possibility on the part of the State apparatus to direct patterns of growth of the sector according to desired objectives decided in the political

arena.

- b) There is a decreased ability of the State to introduce corrective measures to alter possible undesirable patterns emerging in the agricultural and food sector.

- c) The existence of a decreased ability of the domestic State to respond to changes in the socio-economic sphere implies that strategies to address social and economic problems are decreasingly devised and implemented by public entities and increasingly delegated to the private sphere. While delegation to the private sphere might bring some advantages, it might also limit the possibility for segments of society to participate in decisions of significant importance for the citizens of this and other countries.

Research Objectives

The objective of the proposed research is to identify the manners in which the State responds to the globalization of the agricultural and food sector. More specifically, the proposed research seeks to elucidate the following processes.

- 1) The manner in which the State responds to global processes of production and consumption in regard to the regulations of food security, regulation of food availability, market regulation, and public participation in the decision making process.

- 2) The internal transformation of the State apparatus generated by the demands stemming from the new global order with particular reference to technological transfer; food quality and hygiene; corporate accumulation; labor processes; and environmental degradation.

- 3) The limits imposed by the transnational process on State action both domestically and internationally and in regard to developed nation-States and developing nation-States.

- 4) The reorganization of the presence of social groups within the State apparatus in terms of both the possible emergence of polity forms which transcend the domestic State sphere and resistance to the emergence of transnational forms of the State.

Literature Review

The issue of the relationship between the economy and the polity in the agricultural and food sector in the context of a global setting has been the subject of debate in recent years. A number of differing positions have emerged which can be synthesized in the form of three distinct camps. The first refers to those who view the globalization process essentially in terms of the elimination of various kinds of barriers among nations worldwide. The second position maintains the centrality of the nation-State and views globalization processes as based on renegotiations among States. The third camp views the process of globalization of the agricultural and food order in terms of the reorganization of the domestic State and the emergence of transnational forms of the State.

Literature in the first camp underscores the increased technical ability of firms to move capital and products worldwide. This process in turn is considered to be the essential characteristic of the emerging global order. As one observer writes, «In the 1980's the world became 'much smaller' as a result of vastly improved transportation and almost instantaneous worldwide communications. The shrinking of functional time and space made it possible for multi-national firms to locate at almost any place in the world» (Campbell, 1990:22). Communication and distance barriers, however, are not the only barriers which are considered in this literature. In fact, the removal of barriers is extended to biological, technological, ideological and cultural, and institutional barriers. In essence, in this context globalization is defined as "the process of individuals, business firms, and governments responding to the removal or modification of barriers that determine what and how goods are produced, and how a society chooses to organize itself" (Bullock, 1991:1).

The second group of authors frames the process of globalization in terms of organizational forms centered on the nation-State. Drawing on the seminal work of Poulantzas (1978), writings in this camp (Aglietta, 1982; Lipietz, 1987; Pooley, 1991) underscore the centrality of the nation-State in the establishment of previous patterns of world production and consumption. Furthermore, they view the global restructuring of the

agricultural and food sector as «a system of interacting national social formations» (Aglietta, 1982:6). In this context, the reorganization of the economy is analyzed in terms of strategies of social groups who find political representation at the national level through national State apparatuses (Friedmann, 1991). In short, while acknowledging the emergence of a global order, this posture tends to interpret it through the use of the concepts of the national social formations and their political expressions embodied in the nation-State.

The third and final camp is constituted by works which maintain that it is impossible to study globalization without transcending the domestic sphere (Friedland, 1991), and avoiding both the framing of the issue in a domestic-international dichotomy (McMichael and Myhre, 1991) and the interpretation of globalization in strictly sectorial terms (Heffernan and Constance, 1991; Jussaume, 1991; Marsden, 1989). These works also acknowledge that the nation-State still retains importance in the process of globalization (Koc, 1991). Similar to arguments made by the proponents of a nation-State based analysis of globalization, authors in this camp argue the concentration of the agricultural and food sector in the hand of large TNCs and the organization of the sector in transnational based circuits (Friedmann and McMichael, 1989; McMichael and Myhre, 1991).

Procedures

The proposed study will be carried out in two distinct phases. The first involves discussion of the clarification of theoretical and methodological issues pertaining to the proposed research. The second phase involves empirical research on the manners in which the State responds to the globalization of the agricultural and food sector.

Phase one — This phase of the proposed project involves three workshops designed to address theoretical and methodological issues concerning the organization and execution of the research. Its objective is the development of a proposal for the implementation of the empirical portion of the research.

Theoretical concerns stem from the richness and variety of concepts employed in the globalization litera-

ture. Though common understandings of the process at hand exist, further debate among investigators on the use and prioritization of theoretical concepts must be carried out. The items to be discussed include : a) redefinition of the concept of the State in regard to social and historical changes; b) reconceptualization of the production-consumption relation;c) conceptualization of the emergence of new social formations and of the demands of new social groups; d) Reconceptualization of the issues of labor and capital mobility.

Methodological issues must also be explored. Provided the newness of the phenomenon and its ongoing nature, a number of methodological issues must be addressed prior to the implementation of the empirical portion of the research. Among those of relevance are: a) issues pertaining to the operationalization of the concept of the State in a transnational setting; b) issues pertaining to the operationalization of the concept of globalization of the agricultural and food sector; c) issues of measurement of the concepts indicated in a and b in both geographical and sectorial terms; d) issues pertaining to the periodization of the study;

Phase two — This phase is to be initiated once phase one is completed. As a result of phase one, a detailed «Analytic Design» of the proposed research will be developed. It will contain a list of the theoretical concepts to be employed along with their analytical and empirical indicators. Furthermore, it will specify the treatment of the variables and the hypotheses to be tested.

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RESUMEN

La Globalización del Sector Agroalimentario y el Estado

El proyecto está dirigido a investigar las relaciones entre el Estado y el actual proceso de globalización del sector agroalimentario. La literatura sobre este tema ha identificado una discrepancia entre la esfera del Estado y la esfera de las actividades económicas y sociales pertinentes al sector agroalimentario. Este sector es cada vez más transnacional, mientras que el anterior es todavía predominantemente nacional a pesar de la emergencia de tentativas para crear nuevas formas de Estado transnacional. Esta laguna exige investigar sobre las maneras como el Estado responde a los cambios que ocurren en el sector.

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