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NEOLIBERALISM AND RURAL CHANGE  

Land and capital concentration, and the precariousness of labour  

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This chapter analyses the key features of neoliberalism as related to rural change. During the 1970s the statist development paradigm followed by most developing countries came increasingly under fire from neoliberal thinkers. The statist development strategy prioritized industrialization, often neglecting the development of agriculture and the rural areas. The debt crisis of the 1980s, which affected several developing countries, provided the opportunity for multilateral institutions like the World Bank to push for the adoption of ‘structural adjustment programmes’ (SAPs) as a condition for receiving loans and development aid. The SAPs contained key elements of the neoliberal policy proposals which aimed to reduce the role of the state in the economy and give free rein to market forces by removing protectionist measures and opening the economy to the competitive forces of the world market. These neoliberal policies, referred to in the late 1980s as the ‘Washington Consensus’, morphed, a decade later, into the ‘post-Washington Consensus’ as social policies were added to the neoliberal policy package so as to ameliorate the devastating consequences of the initial neoliberal shock which had seen a steep rise in poverty. Neoliberalism profoundly restructured the agricultural sector and rural spaces. The analysis starts by discussing the key propositions of the neoliberal paradigm with reference to rural development. The main section provides a relatively detailed examination of the major impacts of neoliberalism on rural development. It is followed by a discussion of some rural counter-movements contesting neoliberalism. The chapter ends with some conclusions.

The neoliberal paradigm of rural development  

The debt crisis and the harsher world economic climate of the 1980s led to the spread of neoliberal ideas and policies. Powerful institutions such as the International Monetary Fund (IMF) and the World Bank spread neoliberal ideas to all four corners of the world. While indebted countries had little choice but to swallow these prescriptions in order to obtain the loans from international financial institutions, others which had the ability to resist these pressures nonetheless often willingly adopted these policies.

A key pillar of the neoliberal economic paradigm is to let markets rule, meaning that they should be ‘free’ from political interference or manipulation by powerful economic groups. Hence government policy should be directed towards this aim as neoliberals are against sectorial
policies which either favour or discriminate against a particular economic sector such as agriculture. They believe in developing a stable, uniform, general macroeconomic framework in which the same rules apply to everybody. In general, neoliberals are against state intervention in the economy as this will inevitably distort prices, thereby leading to a less optimal allocation of resources with a negative impact on efficiency and growth. Free market prices should rule and governments should only intervene to secure the free operation of the market. Indeed, with the spread of neoliberalism worldwide and the opening up of economies domestic prices should mirror international prices.

‘Urban bias’ and the ‘plundering of agriculture’

While the neoliberal paradigm does not advocate any specific sectorial policies it does, however, fiercely criticize all those rural development paradigms which proposed discriminatory policies against the agricultural sector. In particular, neoliberals singled out the structuralist and similar inward-directed development paradigms for advocating an import-substitution-industrialization (ISI) development strategy, accusing them of ‘urban bias’. The protectionist policy in favour of domestic industry created a series of distortions in the economy, thereby leading to a misallocation of resources and limiting the country’s growth rate. This ‘bias against agriculture’ or ‘plundering of agriculture’ takes place through a variety of mechanisms such as turning the domestic terms of trade between the various economic sectors against agriculture and in favour of industry, allocating government resources in favour of industry and the urban sector, and so on (Schiff and Valdés 1992). This leads to a ‘low rate of return’ in agriculture and hence acts as a deterrent to investment, dampening agricultural output. The opposite happens in industry, where favourable government policies lead to overinvestment in industry, which is wasteful of resources. The low rate of return thesis argues that agriculture’s stagnation or its inability to achieve its full potential growth rate is due to government discriminatory domestic price and foreign exchange policy against agriculture which thereby reduces farmers’ profitability. Capital will thus not move into agriculture and might even move out of it into more profitable sectors with the consequent negative impact on agricultural investment and growth (Bautista and Valdés 1993). For Lipton (1977) this is just one aspect of his more general ‘urban bias’ thesis, which, in his view, explains ‘why poor people stay poor’.

Even when it can be established that there was urban bias in government policy in a certain period, it is necessary to prove that this bias is the main cause of the unsatisfactory performance of the agricultural sector. In my view if there was any bias against the rural sector it mainly affected the peasantry and rural labourers as capitalist farmers and landlords were partly or fully compensated for any discriminatory price and foreign exchange policy by the generous provision of state subsidies to credit, fertilizers, machinery imports, and technical assistance of which they were the main, if not the sole, beneficiaries. Furthermore, landlords paid hardly any land tax and they were also the beneficiaries of the low bargaining power of rural wage labourers as governments made it generally difficult for them to organize and left them largely unprotected against the abuses of employers. I would argue that the poor performance or underachievement of agriculture was partly due to the unequal land distribution, which allowed landlords to exploit their power by extracting high rents from their tenants, paying low wages to their workers and capturing various subsidies and benefits from the state. Landlords thus did not experience major pressures to improve productivity as the existing state of affairs afforded them a good living, influence and power. However, peasants had too little land and insufficient resources to invest and prosper in agriculture due to the various mechanisms of exploitation and discrimination which they faced.
In short, while price and foreign exchange policies pursued during the protectionist ISI period might have had a negative impact on agriculture, it is largely the peasant sector which carried the burden of these discriminatory policies. Thus, instead of using obfuscating phrases like ‘bias against agriculture’ or ‘urban bias’ as neoliberals and neopopulists tend to do, it is more elucidatory to refer to ‘landlord bias’, ‘corporate farming bias’ or ‘bias against peasant farming’ (Kay 2009).

Impact of neoliberalism on rural development

Neoliberals pursue macroeconomic stabilization, fiscal discipline, trade liberalization, financial liberalization, privatization, deregulation, labour market liberalization and secure property rights, among other policies. I will now give a brief overview of some of these policies and their impact on rural development on the understanding that the changes described below cannot always be exclusively attributed to neoliberalism. Some of these changes might have happened anyway sooner or later but neoliberalism certainly accelerated some of them. Its main impact was the reversal of some earlier changes, like land reforms, labour rights and supportive measures for peasant farming. Full liberalization of the land, labour and capital markets has not been achieved, if indeed it can ever be achieved. Nor has foreign trade been completely liberalized. In my discussion I refer mainly to the developing countries as they were the main target of the neoliberal reforms. Powerful developed countries were largely able to retain their protectionist agricultural policies while preaching the pro-free-market rhetoric to the rest of the world (Oya 2005). Far from disappearing, state intervention has merely changed in character to a ‘new interventionism’ of a neoliberal kind, although in some countries it has downsized.

The neoliberal shift to non-traditional agricultural exports (NTAE)

One of the central tenets of neoliberalism is the liberalization of all markets, including international trade. Developing countries are seen as having a comparative advantage in the production and export of primary commodities. Thus they should specialize in the exploitation of natural resources such as minerals, agriculture and forestry. As this would be the most efficient way of utilizing their resources it would allow them to achieve higher rates of growth than hitherto. In this export-driven growth process they would have a strong incentive to improve their efficiency so as to remain competitive in international markets.

With the implementation of neoliberal SAPs a series of policies were introduced to stimulate agricultural exports. Farmers began to shift their output to the now profitable export market and, over time, to change their production patterns. On the one hand, with the liberalization of foreign trade imports of certain foods rose as they were cheaper than domestically produced foods. Hence farmers reduced or stopped cultivating those crops which had become less profitable or even unprofitable due to foreign competition. On the other hand, some crops and, in particular, the so-called ‘non-traditional commodities’ became more profitable. They were called ‘non-traditional’ because they were mostly new agricultural export products derived from horticulture, floriculture, fruit growing, aquaculture (inland fisheries) and new crops like soybeans, which gradually contributed a larger proportion to exports as compared to the traditional agricultural exports such as coffee, tea, sugar, bananas, and cocoa. Thus farmers shifted their land use towards cultivating these more profitable agricultural commodities (Borras et al. 2012a: 853).

The impact of the neoliberal-driven agro-export growth on the peasantry, according to Carter et al. (1996: 37–8), ‘depends on at least three factors: whether small-scale units participate directly in producing the export crop and enjoy the higher incomes generated from it
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(which we call the ‘small farm adoption effect’); second, whether the export crop induces a pattern of structural change that systematically improves or worsens the access of the rural poor to land (the ‘land-access effect’); and third, whether agricultural exports absorb more or less of the labour of landless and part-time farming households (the ‘labour-absorption effect’). Most agro,exports, like soybeans, favour large farms, advance land concentration and encroach on more labour-intensive crops with negative employment effects. This leads to ‘a highly exclusionary growth trajectory that leaves peasants out as both producers and workers’ (ibid.: 58) as the ‘labour-absorption effect’ and the ‘land-access effect’ turn against peasants. But in some instances, where the new export crop is vegetables, this could favour smallholders (the ‘small farm adoption effect’) because of its labour intensity (the ‘labour-absorption effect’) and other factors. As smallholders expanded production and reaped the benefits of their new export earnings they were able to become more competitive and expand their land base or at least hold on to it (‘land-access effect’). Thus all three factors operated in favour of smallholders in this particular case thereby leading to an inclusionary growth process. Intermediary situations can also arise.

In brief, while in some particular instances peasant farmers have benefited from the agro-export boom, neoliberal policies have generally strengthened the development of commercial capitalist farmers. Capitalist farmers have reaped the benefits of this thriving NTAE business, having the ability and resources to adjust relatively quickly to neoliberal trade and macroeconomic policy reforms. For peasant farmers, the export market is often too risky and the required investments too large and costly. Nevertheless, through contract farming with agro-industrial businesses, some smallholders are engaged in production for export. But most of the benefits of these contract farming arrangements accrue to agribusiness due to its greater negotiating power.

Concentration of land, natural resources and capital

Neoliberal land policies reversed state-led land reforms where these had been implemented and instead proposed market-led land reforms, if any at all. However, the few market-led land reforms that were attempted generally failed to prosper (Borras et al. 2008). More effective were the neoliberal efforts at privatization, decollectivization, land registration and land titling. The main purpose of neoliberal policy is to create a more flexible and active land market. The guiding principle was that land should be privately farmed. Collective or state farming were seen as less efficient forms of farming because of the lack of incentives, bureaucratization, corruption, and so on. With the development of a competitive market, those private farmers who did not invest and modernize their farms would not survive and would be forced to sell their land to more efficient farmers. Thus the free workings of the market forces would attract other investors, even foreign investors, who, by introducing modern technologies and better management and work practices, would increase resource use efficiency and lead to higher rates of agricultural growth (Deininger 2003).

For this purpose legislation was introduced in some countries to facilitate the individualization of property rights of members of indigenous communities so that those who wished to rent or sell their individual plots of land could do so. In those countries which had implemented agrarian reforms and which had promoted the formation of cooperatives, collectives or state farms, the neoliberal reforms in some cases partially reversed the agrarian reforms, returning some of the expropriated land to the former owners or selling it. Indigenous organizations sometimes managed to mobilize in defence of communal property rights, gaining wider national and international support, leading to changes in legislation which protected their communal land rights.
A significant proportion of farms lacked clear and secure property titles over the land in developing countries. This was mainly the case in smallholder areas, but some larger farms also had dubious property titles. The World Bank (2001) launched a major initiative in the 1970s and 1980s to regularize and register land titles, particularly for smallholders. Besides the World Bank, several international donors, such as USAID, provided funding for this land registration process. Many farms either had no property title at all, or there were multiple claims over the same piece of land, which sometimes led to disputes and violent conflicts. In general, these land registration processes faced greater problems than originally envisaged, making for delays and often remaining incomplete. The process sometimes opened new conflicts and allowed some large landlords to gain illegal property titles through corruption.

Some aspects of the neoliberal land titling projects had a progressive element as they attempted to give equal property rights to women by means of joint titling arrangements to the household couple. Implementing this equity agenda was particularly difficult in indigenous areas as (male) leaders gave priority to defending their customary communal practices over women’s individual rights (Deere and León 2001). Nor was it easy to enforce in non-indigenous areas as men were aware that joint titling might empower women and hence did not always welcome such arrangements (Razavi 2003).

Overall, land titling has had a mixed outcome. In some instances it allowed peasant farmers to gain legal titles to their land while in other cases it led to ‘modernizing insecurity’ and further conflicts, if not dispossession of peasant lands by more powerful capitalist forces.

**Land grabbing**

Since the beginning of the new millennium increasing concern has been expressed about large-scale land acquisitions or deals which are often referred to as ‘land grabbing’ (Borras and Franco 2012). The new neoliberal global context provoked an enormous expansion of financial capital and opened up new opportunities for investment worldwide. Land and the exploitation of natural resources in general became increasingly attractive for global capital. Various factors account for the rising global interest in farmland such as the new demand for food and raw materials by the rapidly growing (at the time) BRIC countries (Brazil, Russia, India and China), the Gulf states and other middle-income countries; the energy crisis which, at the time, led to very high fuel prices thereby stimulating investment in land for biofuels or agrofuels; and climate mitigation policies which encourage reforestation and investment in national reserves or parks, dubbed by some as ‘green grabbing’ because of their supposedly environmental objectives (Fairhead et al. 2012).

Global investment in land received a major boost as a consequence of the 2007–8 food crisis which led to huge increases in food prices which many analysts argued would remain relatively high in the future. This whetted the appetite of global finance capital, which designed special financial instruments for investments in land, attracting pension funds, sovereign funds and other funds from countries with surplus capital looking for a better return on their capital. But the food crisis also raised concerns about food security in many countries (Akram-Lodhi 2012). China, South Korea and the Gulf states, among others, have signed contracts with governments, mainly in Africa and Asia and to a lesser extent in Latin America, to buy or lease long term tens and hundreds of thousands hectares of land mainly for the cultivation of food which is then exported to the investing country (Oya 2013). Although campaigners against land grabbing may have hyped up the extent of the actual rush for land (Edelman et al. 2013; Kaag and Zoomers 2014), there has been an unprecedented infusion of foreign capital, and in some instances also domestic capital, into the rural sector, leading to the ‘financialization’ of agriculture and nature in several developing countries (Visser et al. 2015).
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The issue of land grabbing and its associated (virtual) water grabbing has generated a lively debate and produced a growing literature (Borras et al. 2011). Initially, this focused on some African and a few Asian countries, but further research and a wider characterization of the meaning of land grabbing have now revealed it to be more common than at first assumed in Latin America; to the surprise of some researchers, it also affects some East European countries (Franco and Borras 2013). Those authors who favour large-scale land acquisitions or investments argue that such arrangements provide much needed investment resources for modernizing agriculture, incorporate new land and more profitable crops, provide improved technologies and better farm management practices, and achieve economies of scale, thereby increasing efficiency, production and profitability. It is also claimed that land grabbing provides new employment and income opportunities for rural workers. Furthermore, it affords a source of revenue for the government (Deininger and Byerlee 2011).

Critics of land grabbing argue that such land deals often displace local people as lands, which governments claim are vacant and belonging to the state, have, in fact, been in use by people seeking a livelihood for decades or even generations. Thus instances of evictions and violent clashes have occurred. These deals are also criticized for endangering food security as well as food sovereignty as local food cultivators are displaced, the food produced by the new investor exported to the investing country or elsewhere, or crops are grown for non-food purposes such as agrofuels (biofuels) or animal feeds, according to whichever is more profitable. This is the case with so-called ‘flex crops’: sugar cane can be used for making sugar, alcohol or ethanol for biofuel; soybeans can be used as animal feed, food or for making biodiesel; palm oil for food, biodiesel and other industrial uses; and maize or corn for food, feed or ethanol; that is, the ‘food-feed-fuel complex’ (Borras et al. 2012a). It is not uncommon for the promised employment and income gains not to materialize, especially if the crop is highly mechanized as is often the case with soybeans. Last, but not least, land grabbing often leads to monocropping and the use of genetically modified seeds (GMS), as well as industrial farming technologies based on petrochemicals which can have deleterious effects on the environment (White et al. 2013). This is also the case with the large-scale industrial production of agrofuel, which can lead to soil degradation and water pollution (Borras et al. 2011; Dietz et al. 2015).

Land grabbing in Latin America presents some peculiarities which differentiate it from other regions of the South, with the possible exception of southern Africa. A much larger proportion of large-scale land transactions in Latin America take place on private land as compared to public state-owned land and are often driven by regional ‘translatino’ capital sometimes allied to capital from outside Latin America (Borras et al. 2012b). Paraguay is an extreme case as about a quarter of farms over 1,000 hectares are largely owned by Brazilian and Argentinian capital, and over two-thirds of land cultivated with soybeans in Paraguay, which is the country’s principal crop, is in their hands (Galeano 2012).

These large-scale land investments have spatial implications. Some land grabbing has occurred in colonization and frontier regions where indigenous peoples often live and property rights are ambiguous. Such external encroachment has led to conflict as the indigenous people are driven further into marginal areas. Owing to the conflictual nature of some land grabbing, a variety of civil society organizations, governments and international organizations have tried to regulate land grabbing by drafting codes of conduct (Wolford et al. 2013; Margulis et al. 2014). A few institutions have attempted to go further and propose an alternative investment strategy for rural development which is centred on reclaiming public investment in agriculture by developing public–peasant investment synergies (Kay 2014).

In sum, land grabbing has been facilitated by the neoliberal transformation. It is a process which simultaneously widens and deepens industrialized capitalist agriculture on a global scale.
While it may have enhanced agricultural production and productivity, it has allowed capital to gain increasing control over land as well as water and other natural resources, often at the expense of peasants and rural communities and also of the environment. This empowerment of capital through increased control over nature and space has brought with it greater influence and dominance over social and political affairs nationally as well as internationally.

**Labour transformed**

The neoliberal turn and the increasing control of agribusiness over agriculture have furthered a process of socio-economic differentiation among the peasantry and brought about a structural shift in the composition of the rural labour force. Generalizing, only a small proportion of peasant farmers could grasp the new opportunities afforded by the new neoliberal context and capitalize their farms and prosper. These are the ‘viable’ peasant farmers in the neoliberal jargon. Other less fortunate peasant farmers became ‘semi-proletarians’ as their principal source of income came from the sale of their labour power instead of from productive activities on their household plot of land. Finally, a significant proportion of peasant farmers became fully proletarianized, losing all access to land and having to search for wage work in rural or urban areas in the country or abroad. These were the losers or victims of the neoliberal turn, the ‘non-viable’ smallholders in the neoliberal jargon, as they were unable to hold on to their land with the new competitive market forces and the withdrawal of state support measures.

Thus a growing proportion of the peasantry has come to rely to varying degrees on wage income to make a living. This shift to wage labour has gone hand in hand with the growth of temporary or seasonal wage labour. In many countries the employment of permanent wage labour in the countryside has declined, even in absolute terms, while in most countries temporary wage labour has increased. The growth of temporary wage labour is particularly evident in those countries which have taken advantage of the dynamic export market for soy, fruit, vegetables, flowers and forestry products. These seasonal wage workers face difficult working conditions, being largely employed by agribusiness. They are often paid on a piece-rate basis; usually have no employment protection; and often their entitlements to social security benefits are not respected, if they exist at all. This flexibilization and casualization of labour has extended employers’ control over labour by reducing workers’ rights and increased their subordinate and precarious circumstances (Bryceson 2000).

This expansion of the temporary labour force has also been accompanied by a marked gender division as there has been a feminization of agriculture (Deere 2005). Agro-industries largely employ female labour since women are held to be more readily available for seasonal work, to be more careful workers, to have lower wage expectations, and to be less organized than men. The scarcer permanent employment opportunities, however, tend to be the preserve of men. For many young women these jobs represent an opportunity to earn an independent income and to reduce patriarchal control over their lives, even though these jobs are seasonal and low paid. However, this greater participation of rural women in the wage labour market has often led to conflicts in the household and violence against women as well as increasing women’s work burden.

The neoliberal transformations also have geographical implications regarding labour and the rural–urban divide. A ‘new rurality’ is emerging as a consequence of the process of ‘deagrarianization’ (Kay 2008). Rural households become ‘multifunctional’ by increasingly engaging in diverse economic activities, sometimes referred to as ‘pluriactivity’, so as to make a living. In pursuit of a livelihood an increasing proportion of their income is derived from on-farm
non-agricultural activities such as a rural tourism, home processing of agricultural products or setting up a small shop, but, more particularly, from off-farm work in rural or urban areas such as in construction, domestic services and other wage work (‘multi-local livelihoods’). Remittances from migrant family labour, either from within the country or abroad, are also becoming a major source of income for some households. An increasing proportion of temporary workers come from urban areas, being recruited by labour contractors. Workers straddle with greater fluidity than in the past different spaces owing to better communications and information, cheaper transport costs and improved education, among other factors. This indicates both the ruralization of urban areas, as a result of high rates of rural–urban migration, as well as the urbanization of rural areas with the mushrooming of rural shanty-towns, thereby blurring the urban–rural divide (Chase 2002). Furthermore, due to enhanced mobility rural residents have increasingly to compete with urban labourers for agricultural work, and vice-versa, leading, in some instances, to less segmented labour markets and to more uniform wage levels. This diversification of activities and income is for the majority of the peasantry a strategy for survival but for some better-endowed peasants it has become a strategy for accumulation, thereby fostering processes of social and economic differentiation (Kay 2008).

In conclusion, neoliberal policies have transformed agriculture in developing countries and beyond and have given rise to ‘classes of labour’, in Bernstein’s (2010) terminology. They have not resolved the problems of rural poverty, exclusion and landlessness. It was only in the ‘post-dogmatic’ or ‘pragmatic’ post-Washington Consensus phase of neoliberalism, with the implementation of social policies directed at poor households, that poverty levels began to fall. But the precarious conditions of labour remain.

The food crisis of 2007–8 and beyond

During 2007 and 2008 food prices increased sharply with disastrous consequences for poor people throughout the world, leading to a severe rise in hunger and poverty. Prices of key staples like wheat, rice and maize doubled. Food-importing countries witnessed huge increases in the cost of food imports. The impact of this spike in prices was uneven as poor people and net food-importing countries were particularly negatively affected. Poor people spend a much higher percentage of their income on food as compared to richer people and poorer countries are much more affected by such price hikes, given that a much larger proportion of their population are poor compared to richer countries. Unsurprisingly, this spike in food prices led to food protests and riots in several countries (Bush 2010). Thus the global food crisis is, at root, a crisis of equality between and within countries leading to a new geopolitics of food (Sommerville et al. 2014).

There has been much debate about the reasons for this enormous rise in food prices and their higher volatility. The most common early explanation was that world food supplies had not kept up with the rising world demand for food. Some authors began to question this demand and supply narrative and argued that it could not fully explain the degree of the crisis (Busch 2010; Ghosh 2010). In their view the liberalization of financial markets contributed significantly to the food crisis. It is difficult to ascertain the precise impact of this financial dimension owing to its complexity, abstract character and opacity. But it is this financial dimension that creates a more direct link between neoliberalism and the food crisis. Whereas previously various financial instruments like agricultural derivatives and future contracts had been regulated, limiting financial speculation, under neoliberalism financial markets and agricultural commodity markets were deregulated. With the massive expansion of finance in recent decades investors began to look for more profitable and stable returns and created a variety of agricultural
commodity index funds. This resulted in the financialization of food and the further commodification of agriculture, thereby increasingly exposing agricultural commodities to the vagaries of global financial markets and to speculative activities (Clapp 2012).

The world food crisis has brought about a paradoxical ‘neoliberal geopolitics’ as countries have become concerned about their food security and their own domestic political stability in the face of food protests and riots. Some countries introduced measures to protect their food supplies by limiting or banning certain food exports. Similarly, some capital-rich countries with relatively scarce farmland have tried to ensure their food supplies by undertaking large-scale land investments in relatively farmland rich countries – that is, engaging in land grabbing. In some countries this has raised concerns about national sovereignty and led to accusations of neocolonialism. In the last decades the dominant northern agro-food powers have seen the emergence of some southern countries that have significantly increased their share of world agricultural production and trade. This heralds a shift towards a polycentric global agro-food system but one under the control of corporate capital North and South (Margulis 2014).

Finally, who benefits from food price increases? Some large food exporting countries like the USA and Brazil have gained. But do farmers benefit? The power of TNCs (agropower) on global agricultural markets and over the agricultural commodity value chain enables them to capture most of the benefits of rising food prices. The global subsistence crisis reveals a crisis in the world food system with the rise of agribusiness and the processes of concentration and financialization driving many vulnerable smallholders off the land and out of farming.

Contestations of the neoliberal transformations

The neoliberal agenda and the transformations it has brought about in the rural world have not gone uncontested. There are a myriad of everyday struggles of peasants and rural workers for a fairer society which generally go unreported and only reach a wider audience when major violent clashes occur. To what extent neoliberalism has provoked an intensification of conflicts and violence in the countryside I am unable to judge. But it has provoked a new social countermovement which explicitly challenges neoliberalism – La Vía Campesina (or the Peasant Way or Peasant Road). Neoliberalism was perceived as a strategic threat to the ‘lives and livelihoods by many landless and land-poor peasants, wage labourers and small farmers in southern and northern countries’ (Borras 2004: 3). It was founded in 1993 and has become the largest and most active global peasant movement, bringing together rural organizations from the North and the South. Vía Campesina is opposed to corporate industrialized agriculture and its increasing control over natural resources and technology. Instead it promotes peasant and family farming, sustainable and agro-ecological farming, local or ‘nested’ markets, co-operation and solidarity and human rights for the people of the land (Desmarais 2007; McMichael 2008; Martínez-Torres and Rosset 2010).

Vía Campesina is best known for proposing ‘food sovereignty’ as distinct from food security. By food sovereignty it means:

that food be produced through diversified, farmer-based production systems… [It] is the right of peoples to define their own agriculture and food policies, to protect and regulate domestic agricultural production and trade in order to achieve sustainable development objectives.… [It] promotes the formulation of trade policies and practices that serve the rights of peoples to safe, healthy and ecologically sustainable production.

(Quoted in McMichael 2009: 294)
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The food sovereignty proposal of Vía Campesina has generated much debate as discussed by Jansen (2015).

In sum, while there are many other rural social movements, I have focused on Vía Campesina due to its strong anti-neoliberal stance and international reach. By asking the question ‘What is to be done?’ it has contributed some proposals for addressing the neoliberal global subsistence crisis (Akram-Lodhi 2013). It has gained an increasing influence in national and international debates on rural issues, but the extent to which it has been able to shape rural development policies is another matter.

Conclusions

Neoliberalism marks a watershed in history as it is a global transformative project. Under the cloak of free markets, emerging neoliberal capitalist interests sought to achieve changes in agricultural policies and markets which would enhance their economic, social and political power. The neoliberal transformation of land, capital, labour, financial, foreign trade and other markets has created new and enhanced existing processes of concentration and unequal development in rural areas. The process of commodification of nature has reached new corners of the world leading to what some authors refer to as the ‘new extractivism’ (Veltmeyer and Petras 2014). Capitalist relations of production have spread further through processes of dispossession and proletarianization of the peasantry as well as being intensified by new production processes and technologies.

Contrary to the neoliberal free market agenda of ‘getting prices right’ and that ‘markets should rule’, historical experience shows that only through state intervention are the required structural transformations achieved (Byres 2003). In agriculture this may include land reform, support for peasant farming, major investments in irrigation and other rural infrastructure, the widespread dissemination of new sustainable technologies, regulation of markets, and the adoption of environmental and social measures (Chang 2012). It will also require the creation of a fairer international trade and financial system. In brief, a major historical lesson from successful development experiences is that only a developmentalist state is able to set a country on a relatively equitable and sustainable development path by creating the conditions for the achievement of synergies between agriculture and industry and between the rural and urban sectors (Kay 2009).

Finally, indigenous and peasant movements have been in the forefront, challenging market neoliberalism. Some countries are seeking to create a post-neoliberal development strategy which comes closer to satisfying the aspirations of the majority of the population. It remains to be seen if such a post-neoliberal path is able to consolidate itself within the current neoliberal world order and whether it can, indeed, reach the promised goals in a sustainable manner.

References

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