‘Placing Sugar Assemblages’

Marc Welsh
Sucre Lucre

• Sugar regime – global in operation, local in effects

• Industrial by design and nature

• State mediation

• Australia, Mauritius, Malawi

• Sustainable sugar? - post Brexit challenges
Brazil now accounts for...
Sucre Lucre

- 177.59 million tons consumed 2019
  - 14% increase over decade

- 75% cane: 25% beet

- One third grown for export = $17-$18

- Sugar production is always both agricultural and industrial

- Template for industrial agriculture

- Disproportionate significance to national economies and corporate interests
Industrial by nature

- India 4\textsuperscript{th} century – technology & labour
- 1490s sugar plantations West Indies
- \textit{Industrial revolution began in the fields}
- Steam - expanded territorial reach and rates of productivity
- Exotic ‘sweet spice’ to everyday ‘ingredient’ – essential and politically significant
Policing the Beet

• Mid 18\textsuperscript{th} century – crystalized sugar from white Silesian sugar beet

• \textbf{Napoleonic Wars} 1800s – blockade and subsidy

• State interventionism

• 1890 Germany produced more sugar than Caribbean (Richardson 2015)

• Beet sugar = 50\% of world sugar production
Globally Regulated

• ‘Unilateral free trade’ - a disfunctioning British ideology since 1840

• Rise of rival sugar economies

• 1902 Brussels Sugar Convention
  – (Fakhri 2014, Pigman 1997)

• First modern global ‘multilateral trade’ institution

• Sought to organise international trade of a single commodity
  – Permanent Sugar Commission – oversaw implementation
  – Penalties for subsidy
  – binding legal framework,
  – arbitration institutions,
  – global surveillance systems monitoring the production, sale and transnational movement of sugar

• 1937 Sugar Agreement / 1977 Sugar Agreement

‘[t]he sugar treaties teach us that to organize international trade in a way that assumes that the market should be “free” from the state has little practical meaning; market actors cannot operate without certain legal structures, political decisions, and social relations’: Fakhri 214, 212
Factories in the field

• Industrial agriculture

• Monocrops / central mill

• Centralized by design

• Organised ‘like a military operation’ (Attwood 1992)

• High impact
Why does this all matter?

- Industrial production by design and nature
- High impact
- Land take
- Water
- Soils
- Fertilizer
- Biodiversity
Poles of Production

Queensland, Australia

- Cane introduced 1860s - state intervention - plantation farms
  - Indentured labour

- State regulation – WWI – quota, relations of production, pricing
  - British Empire/UK main market

- 1973 – EEC and end of quota

- High global prices – private capital expansion of cane lands
  - Asia and Middle East markets prioritised
Poles of Production

Queensland, Australia

• 80% production for export
  – Vulnerability – shocks and competition
• 1994 largest global supplier
  • (3 million tons – Brazil in 2011 25 million tons)

• Restructuring 1990s/2000s
  – Further investment in mills and marketing
  – Some farms and communities uneconomic

• Environmental externalities absorbed by public and environment – Barrier Reef
Nambour is ...

- Memorialised
- Recreationalised
- Residentialised
- Pasturised

Source: Coggan & Whitten 2008, CSIRO

Figure F1: Land use and proportions over time with no policy change
Mauritius

- Middle income country – GDP $13 billion, $21k per capita
- 1.3 million people

- Sugar generates $300 million
  - significance has declined - e.g. fish now $300 million, textiles $840 million
  - 25% GDP 1975, 2% GDP 2018
  - But 15% of export earnings

- Economy now rests on services (finance), light manufacturing (textiles), ICT, tourism

- Densely populated island dominated by sugar industry for three centuries
Sugar Island

• Cane introduced by Dutch 1639
• France > Great Britain – plantation model / deforestation
• Underpinned by slave trade / 400,000 indentured labour – gained land rights
• 1900s - Consolidation
  • Emergence of dominant agri-businesses
• 1975 Sugar Protocol – price protection
• EU guaranteed market - 507,000 tonnes
Boom, bust, burnin

- 1970s on - slump global prices
- ‘Cogeneration’ = new revenue stream / farm subsidy
  - ‘integrating energies’
- 25% of electricity from renewable sources
  - Equivalent 200,000 tons coal
- Sugar Protocol ended 2009
- 2017 EU a competitor
- Anticipatory governance
Global Sugar bites

• Mauritian cane growers
  – expect a hit

• Cane significance has declined
  – 25% GDP 1975, 2% GDP 2018

• Over 50% of land surface area

• mill planters (the agro-industrial combines) and small planters.
Mill planters

• Consolidation
  – 20 became four companies
  – Omnicane, Terra, Medine, Alteo

• rationalising cane land

• diversifying income - real estate
  – Energy generation / Biofuel
  – Technology parks
  – Light manufacturing
  – Property
  – Education and urban
  – Tourism
  – Financial services
21st century corporate imperialism?

- Diversifying income
  - Overseas
    - Including sugar sector in Africa
- Investing agribusiness in Africa
  - Ghana
  - Kenya
  - Mozambique
  - Tanzania
- Retain access to EU
Small planters

- Number of growers declining
- Government not inclined to invest in sugar infrastructure further
- Food security – 80% imported
  - Many products not grown (meat, dairy, wheat, rice, pulses)

- Growers vulnerable to mills and global prices
  - FairTrade - premium
  - Cooperatives – share costs, loans, equipment and marketing
  - abandoning land
  - other cultivation
    - horticulture
Malawi

- 20 million people – very poor
- Sugar cane = 22k ha / 0.6% of agricultural land
- Cane accounts for 60% of all irrigated land
- Important foreign earnings revenue stream

- ‘Green Belt Initiative’ launched 2010
  - Rationale - Food Security
  - Irrigation of ‘a million hectares’
- Increasingly focused on sugar cane cultivation – foreign exchange replacement for tobacco

- EBA provides incentive to switch
Green Belt Initiative

• Ambitious scheme / large loans
• Political imperative - returns on investment and foreign exchange

But
  – Land conflict
  – small holders with customary tenure targeted,
  – conversion to sugar precludes alternative crops,
  – contract farming ties production to mills,
  – communities destabilised,
  – elite interests and patrimonialism

Under construction: The Chikwawa Green Belt Initiative sugar mill
The global regulation of sugar?

• Three countries – located within a global sugar production and supply system – centrality of the state

• Each impacted differentially by regulatory regimes and changing sites of production

• Sugar inherently industrial and problematic as both driver of development and dependency

• Consumer is king, but the king is blind
Can sugar be sustainable?

• Certification standards – historical focus on labour conditions

• Price stability - Organic and Fairtrade certification

• **Fairtrade** – important to specific countries – e.g. Malawi and Mauritius
• UK main market for FT in EU

• **Bonsucro** new scheme – part initiated by WWF
  – emphasis on labour, energy, and supply chain
  – purchasers (e.g. Coca Cola, Ferrero) buy credits – law, labour, inputs, ecosystem service
  – About 4% of cane land is enrolled in Bonsucro

• Relatively little ‘certified’ sugar is **actually** sold as such – is there a market for ‘sustainable sugar’?
More Questions Than Answers

- Scale? – future small holder farming
- Is ‘sustainable sugar’ limited to its visibility?
- Demand management? – might sustainable production mean a reduction in supply?
- Unintended consequences – unilateralism and LEDCs
- UK – ABF / Tate and Lyle
  – Brexit
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