

Global food crisis grips Latin America

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The Brazilian government Wednesday announced the temporary suspension of rice exports, as the commodity's price hit a record high of \$25 per hundredweight on the futures markets.

Brasilia said that the export ban was aimed at preventing internal shortages. The move followed similar actions by major rice producers in Asia, such as India and Vietnam, in the face of the worldwide food crisis.

Similarly, Argentina has suspended the sale of its wheat to its principal importer, Brazil, in an attempt to curb inflation in food prices by assuring adequate domestic supplies. The cost of this measure has been passed on to the Brazilian people, who have seen bread prices rise by more than 20 percent in the past 12 months.

Brazil never imported as much wheat as today, with the amount set to pass 70 percent of supplies, which according to some sources is already considered the biggest crisis in this sector in the last two decades.

The crisis is also affecting Venezuela, which projects an annual inflation rate of 28 percent. The rise in food prices has been aggravated by the impasse with Colombia, after the Colombian government—in a joint action with the United States—carried out the assassination of the No. 2 leader of the FARC guerrilla movement, Raul Reyes, together with 17 others last month in Ecuador, leading the government of President Hugo Chavez to close its borders with the neighboring country.

Foodstuffs such as meat, milk and sugar are in short supply in the markets, and the Venezuelan people are forced to form lines around the block to buy food.

In other countries in South America, such as Peru, the population is taking to the streets to protest the rise in food prices and has also demanded a renegotiation of the free trade agreement concluded between Lima and Washington.

The agreement, which has been blamed for a rise in unemployment, is generating popular dissatisfaction. The unrest has thrown into crisis the government of President Alan Garcia, which has raised consumer taxes and responded to the protests of the Peruvians with increased repression.

Also in Bolivia, South America's poorest country, the inflation rate for the year is expected to reach or surpass 24 percent. President Evo Morales has prohibited the export of corn, rice, meat and vegetable oils. One of the factors affecting internal food production has been the heavy rainfall at the beginning of the year (another consequence of climate change). Next month, Bolivians go to the polls to decide on a referendum that would grant "autonomy" to the country's wealthiest states, a process that would further deepen Bolivia's economic crisis.

In Latin America's poorest country, Haiti, currently under the domination of United Nations troops (the so-called "blue helmets") led by Brazil in partnership with Washington, there have been dozens of violent demonstrations and the sacking of markets, in which several people have been killed.

In the capital of Port-au-Prince, dozens were wounded in an attempt to storm the presidential palace during the upheavals triggered by the rise in the price of rice, which doubled in the space of barely a week.

In addition to Latin America, food shortages and soaring prices have sparked unrest throughout Africa and in the Middle East. In Egypt, the price of chicken has risen by 140 percent and bread by 40 percent. In Yemen, wheat prices have doubled, along with those of rice and vegetable oil. In Cameroon, more than 100 people were killed in protests over the food crisis—the price of cooking oil increased there by 140 percent in one month.

While soaring food prices—driven by financial speculation in commodities, the increasing diversion of

grains for bio-fuel production and other factors—have affected every country in the world, clearly the impact has been greatest in the most oppressed countries, where people are forced to spend the bulk of their incomes on food and are faced with the threat of starvation.

In Brazil, with the explosive growth of the crisis, one hears less and less from the government about social programs such as “Fome Zero” (zero hunger) touted by President Luiz Inacio Lula da Silva as the solution to hunger. Rather, Lula has adopted as his principal platform the defense of bio-fuel production, seeking to turn the country into a monoculture of sugarcane and steadily reducing the production of cereals for consumption, resulting in the steady increase in their prices.

This crisis did not emerge overnight, but has been maturing over the course of years, and it will persist. The inevitable result will be a widening and intensifying growth of the class struggle.



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