

Book Review

Alternative Trade – Legacies for the Future Gavin Fridell

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Review by Geoff Tansey

A long, long time ago, in a world where 'free trade' market fundamentalism was not the only economic religion, I helped start a journal called *Food Policy—economics, planning and politics of food and agriculture*. Well, actually, not that long ago, in the mid 1970s. It just seems a world away.

The journal's sub-title betrays the fact that it was a different world. Governments had a role in planning for food and agriculture—what Fridell calls 'the social regulation of agri-food commodities'. Issues to do with the most fundamental aspect of human well-being—the ability of everyone to eat a safe, secure, sufficient, nutritious diet—were not seen as something left to the mythical abstraction of 'The Market', but a matter of politics and power that shaped political economies and market structures.

The world had been on the brink of an intercontinental famine, and many had died in Africa from famine. Failed harvests and shifts in geo-politics had led to huge imports of grain by the then Soviet Union, prices soared, a world food conference was called and food issues were high on the political agenda. The price of oil had quadrupled in 1973 following OPEC's action. Developing countries were calling for a New International Economic Order, but they lost. It was a world in which the topics of this book were an everyday fact of life, not a piece of, to some perhaps, rather weird history.

Gavin Fridell does us all a service in reminding us that—as the slogan has it—another world is possible. Indeed, existed. He begins by taking on the notion—or fantasy as he calls it—of 'free trade' as normal or an uncontested good or even a reality, rather than something usually of benefit only to the top dog. As the first director general of the World Trade Organisation—

Renato Ruggiero—noted, it is not a free trade organisation but a rules-based trading organisation. The question for the world is, does it have the right rules to deliver what, for whom? Fridell does note that the capitalist economy is entirely about state-imposed rules and regulations, crucially about private property rights—and today about abstractions such as 'intellectual property'.

Fridell reviews three different alternative trade regimes—covering bananas, coffee and wheat—the latter through something familiar to most Canadian readers, the Canadian Wheat Board. He argues that three things define alternative trade—the use of state power to manage markets for broader social, economic and developmental ends; social regulation; and, a pro-poor agenda.

He does not argue that these different models are ideal but rather that they provide many lessons, both good and bad, "to learn from in charting and developing new and better alternatives to neoliberal capitalist globalization" (9). After a discussion of 'free trade' and alternative trade he looks at the rise and fall of the International Coffee Agreement, the Canadian Wheat Board, and the EU-Caribbean Banana Agreement. This leads to a brief discussion of a debate that took place among socialists in the1980s—notably between Alex Nove, an early contributor to *Food Policy*, and Ernest Mandel—about the role of the market. He argues that the essential point for those interested in alternative trade is "not to assess the precise details of 'market socialism versus planned socialism' debate but, even more importantly, to recapture the *existence of the debate*" (128).

Such a debate must come to grips with three major issues according to Fridell—around the state, monopoly and social efficiency. On that latter score he argues that while 'free trade' can be economically efficient according to neoclassical economists' own terms, it can also be highly "socially inefficient for society as a whole" (139). All three of the alternative regimes he discusses "captured greater value along the global value chain in the hand of farmers, both large and small" (140).

The benefits of learning from the old and developing new alternative trade models could be both from a broader distribution of wealth and better functioning states for the majority of people. To get there requires a diversity of practice, and understanding the lessons of past experiences. This book should help those seeking to make it happen.

<u>Geoff Tansey</u> works for fair, healthy and sustainable food systems as an independent writer and consultant. He is a member and a trustee of The Food Ethics Council. His books include <u>The</u> <u>Food System: a guide</u> (with Tony Worsley) and co-editorship of <u>The future control of food - A</u> <u>guide to international negotiations and rules on intellectual property, biodiversity and food</u> <u>security</u>. He is currently setting up an open access, on-line '<u>virtual academy</u>' of keynote talks around transforming our food systems. Get <u>Food and thriving people: Paradigm shifts for fair</u> <u>and sustainable food systems</u>.