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Who holds the power in Global Agriculture and how can we respond.

How it will effect and how it has affected me already

Findings of the report were exceptionally interesting, some figures showed up some fascinating results, but there were no real surprises for me. The predictions on the other hand were fascinating, the highlight for me has to be forecasts for the BRICS nations, particularly Russia, how is it going to dramatically increase its exports in almost every commodity as well as decrease its imports and still feed itself? Maybe the predictors have forgotten about the Russian harvest of 2010 and the present state of their Political system?

The report clearly demonstrates that Money talks, so nothing new there! Will it continue to do so? In my opinion **yes it will**, the report highlights some very good examples. The WTO being classic of these, the power of this organisation is in the hands of so few, although the report would tend to indicate that developing nations are actually starting to have more of an influence e.g. in Geneva when no agreement was reached on The Agreement on Agriculture as part of Doha Development Agenda, **but I note that there is still no agreement.**

The report also highlights how the World Bank is another example of how the money/power/influence circle perpetuates and how TNC's (indirectly) stay in control, as no money moves to those who cannot readily service debt and despite the best intentions of the Agricultural Development Programmes the question is raised as to whether the money actually gets to those who most need it? Or is influence so strong that funds from the World Banks Structural Adjustment Lending



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Programme are only given to those developing countries' governments that slash their budgetary support for agriculture?

In future will the balance of this power really change? **How can it? Except for happiness money really can buy you everything.** Especially when it is considered that Political stability in many of the nations that now hold the natural resources (**power of the future**) is relatively weak and they can be easily influenced/manipulated by TNC's. Clearly a nation can have masses of natural resources, vast tracts of land, a plethora of good farmers, plenty of renewable energy, not so much water or P and K, so where does the power lie? In the hands of a TNC that holds **the limiting (X) factor**. The holder of the one limiting factor in each case will hold the power. Only one group, the TNC's can realistically hold all of the worlds limiting factors, or hold **the influence** over the limiting factor in each case. One solution could be the formation of strategic national alliances? But who will broker these deals and who will have an influence over the brokers of these deals? I believe that the Regional Power Index from the report only serves to emphasise this.

After all the influence of TNC's is hyper political, with many of these TNC's having a turnover many times the GDP of numerous small nations. There is no doubt that if they are well structured that they probably make even more from the greed that is the "**market trader.**" No longer is the true supply and demand equation really relevant, trade is rampant on rumour and conjecture, to that end there is no doubt that Volatility in the food supply chain has only served to further increase TNC's influence and their power.

What can we (UK Ag PLC.) do, or will we just be pawns in what will become the incredible power struggle that will no doubt create a vacuum.

- **Maintain our influence on the TNC's**, the power base to influence the world trade and agriculture. Provide them with a safe, stable haven. More one for



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our government generally, but I would like to think that we have a certain amount of influence as an industry and the City certainly gets its say.

- **Maintain political influence**, not only at home but with the rest of the world, particularly Europe. This is obviously very relevant at the moment, especially in the lobby for the non greening of the CAP. Have politicians not learnt from the past how the CAP so dramatically affects production systems and our productive base. Can the politicians that could so nicely sit in TNC's pockets retain real power, or will hunger win out?
- **Continue to supply and develop** our own home market and increase exports. At home the shorter the chain, the more difficult it is for TNC's to break into/interfere with. Is the UK our niche market?
- **Do not undersell ourselves** or sell out our productive base and specialist skills. Particularly relevant when exporting our skills, what I like to call "**The Grain Drain**"
- **Adopt more sustainable farming techniques**, removing our demand for natural (imported) resource, **the limiting X factor**. This can take the form of more home grown renewable energy, ensure that we make adequate provision for a UK wide water supply, (a national water grid?) Particularly relevant in light of the recent Water for Life, water White paper. Continue to ensure that natural resources (soils and ecosystems) and the environment are protected as they are **our life blood**, something that I feel that many "modern" farmers have forgotten about.
- **We must continue to be productive** and maintain a critical mass which will allow national economies of scale.
- **Introduce a mechanism** whereby the volatility that has become such an influence to our businesses is managed/controlled/utilised to our advantage.



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- **Consider lobbying** for some form of world population control, as hunger will ultimately fuel the TNC's. Although I believe that now we have exceeded 7 billion people this will be a self selecting process. Whether it is a result of greater affluence in those societies that are presently dramatically increasing their populations (as has been clearly demonstrated in affluent western society) or whether natural selection will kick in, in terms of availability of water/land/energy or food.
- **The resource** that is P and K, I am not sure how we can survive at the present production levels with reducing amounts of these assets, is biotechnology the solution now that Peak P and K is nearing?

What can I (Euston Estate) do?

- Maintain membership of our farming organisations, to maintain our political influence.
- Continue to do our bit to work with/for these organisations.
- Continue to supply and develop our own home, local, niche markets.
- Never undersell our specialist skills and maximise the potential of our natural resources. **No Grain Drain here.**
- Adopt more sustainable farming techniques, back to a modern Norfolk four course rotation or similar.
- Continue to manage and protect our natural environment.
- Home grown renewable energy, although a FIT would be still have been useful for my now cancelled PV project.
- More water reservoir capacity to make adequate provision for what has recently become my most valuable resource.



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- Continue to be productive and maintain a critical mass, so if anyone has any spare land that you would like me to look after!
- Pursue modern farming techniques. Science and productivity will continue to win out.
- Potential greater use of collaborative marketing in an attempt to reduce my exposure to the volatility that can be so damaging.
- Spread risk, through the introduction of new enterprises.
- “Partnership” with a TNC? Is this a realistic expectation?

The key to all of this is for us all to reduce our dependence on **the limiting (X) factor** and hence the influence of the TNC’s, this combined with the fact that we are better placed as a result of climate change to ride out the storm will ensure that we UK Ag Plc has a vibrant and exciting future.

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