

ENHANCING FOOD AND NUTRITION SECURITY IN A CORPORATE-DOMINATED FOOD SYSTEM

KEY ISSUES:

- The ‘dual burden’ of under-nutrition and rising diet-related non-communicable diseases (NCDs) characterise South Africa’s food system.
- Mainstream responses to under-nutrition emphasise employment and incomes, while responses to diet-related NCDs focus on regulating food content.
- Employment in the food system has dropped significantly since deregulation as corporations adopt capital-intensive production methods in the face of global competition.
- Expanding livelihoods in the food system requires greater focus on the large informal periphery, emphasising local demand and dietary diversity.
- Regulating food content is important but deals with symptoms rather than causes, and alternatives to highly processed foods need to be promoted.
- Stimulating small-scale production of fresh produce for local markets can combine livelihood imperatives with promotion of healthier food.

BACKGROUND

South Africa faces a ‘dual burden’ of malnutrition, with persistent under-nutrition coinciding with rising rates of diet-related NCDs (e.g. diabetes, heart disease, and certain cancers). According to a recent national survey, 54% of households nationally reported experiencing either hunger or risk of hunger (Shisana *et al.*, 2013:10).

The South African food system is capable of supplying enough food either through production or trade. The main challenge is that many people cannot afford to purchase the food they need. Therefore the focus of efforts to improve food security is on increasing incomes, either through welfare (such as social grants), or through increasing employment or entrepreneurship.

At the same time, South Africa is experiencing a nutrition transition, with a range of factors including urbanisation, lifestyle changes, and corporate concentration driving a change in diets (Igumbor *et al.*, 2012). People are consuming greater quantities of processed and packaged food, sugar and fats, and less fresh fruit and vegetables (FFV) (Ronquest-Ross *et al.*, 2014).

This transition in turn leads to growth in diet-related NCDs. Today five of the leading causes of death in South Africa are linked to nutrition and more than half of South African women are affected by overweight and obesity (Shisana *et al.*, 2013).

SUPPORTED BY



INCREASING INCOMES IN THE FOOD SYSTEM

Combating poverty by increasing incomes is a national priority. Higher incomes for the poor translate into increased food access, thus directly addressing under-consumption.

The main plan in the food system - the Agricultural Policy Action Plan (APAP) - is linked to the National Development Plan (NDP) that aims to create 1 million additional jobs in the food and agricultural sector by 2030. APAP focuses on sectors that have high potential for job creation, especially export horticulture. It emphasises commercial production for national and export markets.

But increasing formal employment in the food system will be an uphill battle. It has long been recognised that the commercial food system in South Africa is over-capitalised, meaning it generates less employment per unit output than comparable sectors elsewhere in the world (World Bank, 1994). Deregulation and liberalisation in the 1980s and 1990s have intensified labour shedding and exacerbated and accelerated corporate concentration in the sector.

Farmworker jobs have severely declined since the 1990s – a drop from around 1.25 million in 1990 to about 450,000 in 2014 (Visser and Ferrer, 2015) – as commercial agriculture has consolidated and adopted capital-intensive production methods in the face of intense global competition.

Employment in food manufacturing dropped from an annual average of 230,000 workers (1996–2000) to 186,000 (2006–2010), a 19% decline (DAFF, 2012:11–12). Specific statistics on food retail employment are hard to come by, but there seems to be a small increase in employment in general retailing. Statistics South Africa (2014) shows employment growth in wholesale and retail trade (not only food) of around 1% per year from 2010 to 2014. But in all sectors – retail, manufacturing

or farming – formal employment is characterised by subcontracting, casualisation, poor conditions of employment and low wages.

The limited prospects for significant expansion of formal employment in large-scale enterprises has led planners to focus on expanding commercial smallholder farming in the expectation that many of those supported will also generate employment for others. This is a positive orientation, although these initiatives are marred by problems with implementation, co-ordination, and a top-down, over-controlled approach.

FOOD SYSTEM LIVELIHOODS

At the same time, policy has tended to neglect ‘informal’ actors in the food system. Evidence suggests large numbers of economic actors in agricultural production, food distribution and food service (prepared food direct to the consumer).



Of the millions of economic actors in the periphery, many may be driven by desperation due to high unemployment. Their activities seldom provide enough on their own to sustain a livelihood. Conditions of employment are

generally very poor and many ‘entrepreneurs’ may only survive through intense self- or family exploitation. Nevertheless, this periphery plays a crucial role in facilitating access to food for a large part of the population, contributes to livelihoods in the food system, and can be strengthened.

The South African policy environment is at best lukewarm towards this large and diverse ‘informal’ economic base. As APAP reveals, policy and programming instead focuses on formalising a small top layer oriented to niche commercial markets or integration into corporate-dominated value chains.

While an orientation towards formalisation may be a valid part of the response, it leaves out a huge part of the population who are then considered surplus to the productive economy. The prevailing approach reinforces tendencies to centralise control and power through government programmes and by integrating with corporate food systems.

ACCESS TO HEALTHY FOOD

Increasing incomes enables more secure access to food. Higher incomes are associated with urbanisation and mass consumption. Accompanying lifestyle changes are linked to increased consumption of unhealthy foods.

Corporate production seeks ways to reinforce and extend profitability. Constant innovations are designed to appeal to dynamic and multi-faceted consumer demands including convenience, taste, appearance and shelf life, often to the detriment of health and nutrition. Standardised, mass-produced, highly-processed food products are cheaper to produce and rely on an agro-industrial base of maize, wheat and sugar (Blythman, 2015).

However, market demand is also shaped by psycho-social dimensions of food consumption. As Florian Kroll (2016) indicates, aspiration, status and broader social desires shape choices about how and what foods to consume. Fast food consumption can be seen

as a symbol of wealth; conversely, consumption of legumes and indigenous crops may be viewed as a sign of poverty. Corporate marketing and advertising strategies pick up on and reinforce these symbolic and aspirational dimensions of food consumption, creating a demand for specific foods that are profitable to produce at large scale.

Highly processed foods are usually cheaper on the shelf than healthy alternatives such as fresh produce. These processed foods are directly responsible for the sharp rise in diet-related NCDs mentioned above. Government recognises the threat, and has responded mainly by restricting food content, specifically for trans fats, sodium and sugar (DoH, 2015). Government is also negotiating with industry to limit advertising of unhealthy products to children.

These efforts are important, although they are tentative, and industry has been able to stall implementation and limit the scope of regulation. However, restricting excess consumption of some nutrients is only half the story.

The other half of the story is increasing consumption of healthier products, particularly whole grains and fresh fruits and vegetables (FFV). But although APAP and related programmes support a diverse production base, policies for FFV focus on export markets. Various government departments, including Health, Agriculture and Rural Development, include programmes to revitalise or establish fresh product markets, and to some extent, support smallholder production to supply these markets. Local public procurement is another ready market with standards that can be negotiated.

The focus on fresh product markets and smallholder support is sensible, as it can make diverse fresh products, with short supply chains, available for local consumption so that products retain freshness and consumers derive maximum nutritional benefit. This is in addition to livelihoods support/productive employment.

But it is unclear in policy how the focus on a fairly thin layer of commercial producers for national and export markets aligns with supporting the development of local markets. There is rhetoric in support of 'revitalising fresh produce markets' in some departments. But if these policies emphasise commercial supply to national markets, this will reinforce centralisation and concentration in the food system. Similarly, the tendency to emphasise complex, expensive irrigation schemes will exclude many small producers who otherwise could make a valuable contribution to local food diversity and security, and productive activity.

Additionally, marketing has received very little attention, especially for fresh produce and indigenous crops. The latter are recognised as having ecological and nutrition benefits, but so far research and development of these crops is limited. Beyond this, work is needed to regenerate interest in consuming indigenous crops and fresh produce. Such work might involve developing processing technologies so that diverse fresh produce, legumes and indigenous crops also respond to consumer demand for convenience, time saving and palatability.

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RECOMMENDATIONS

- **Identify and support marginalised economic actors** in the food system, by creating systematic and tailored programmes to support them, and sustain and enhance their livelihoods within the food system.
- Focus efforts on local production of **FFV, chicken and goats** for local consumption facilitated by **decentralised fresh produce markets**.
- **Stimulate demand for indigenous crops, fresh produce and legumes** by marketing, and developing processing technologies that respond to consumer demand for convenience, time saving and palatability.

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