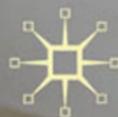


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Sugar: Refined Power in a Global Regime

Ben Richardson



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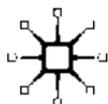
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Sugar: Refined Power in a Global Regime

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Contents

<i>List of Figures and Tables</i>	vi
<i>Acknowledgements</i>	vii
<i>List of Abbreviations</i>	viii
Chapter 1 Introduction	1
Chapter 2 Conceptualising Power in the World Economy: Reviving Regimes in IPE Theory	16
Chapter 3 From a Colonial to a National Regime, 1500–1945	41
Chapter 4 Imminent Crisis and the Embryonic Global Regime, 1945–1994	67
Chapter 5 Restructuring in the EU-ACP: Out of the Strong There Came Forth Sweetness	92
Chapter 6 US Under Stress: Free Trade and Fracture in the National Regime?	115
Chapter 7 Antinomies in Asia: Political Conflicts in Protected Markets	142
Chapter 8 The End Game of the Global Regime: A False Promise of Free Markets	168
Chapter 9 Conclusions	194
<i>Notes</i>	213
<i>Bibliography</i>	218
<i>Index</i>	240

List of Figures and Tables

Figures

1.1	The Transformation of Sugar Crops from Farm to Food	3
3.1	World Sugar Production, 1840–1899	51
3.2	World Sugar Production, 1900–1950	63
4.1	World Market Price of Sugar, 1945–1995	75
5.1	Explicit Costs of CMO Sugar, 2004 (€ millions)	95
5.2	World Sugar Production by Company, 2007	105
5.3	Protocol and Special Preferential Quota Holders	107
6.1	Sweetener Market Share in US, 1995–2007	127
6.2	World Biofuel Production, 2007	130
7.1	Trade as a Percentage of Production in Asia, 1997–2007	147
7.2	Regional Consumption of Sugar, 1990–2005	158
7.3	Annual Sugar Consumption Per Capita in Asia, 1998 and 2008	162
8.1	World Market Price of Sugar, 1945–2008	181
9.1	Impact of Supply Shocks on the World Market Price of Sugar, 1945–2008	198
9.2	World Sugar Production, 1950–2008	199

Tables

3.1	The Productivity of Sugar Cane Factories, 1917	60
4.1	International Net Sugar Trade, 1955–1965	71
4.2	International Net Sugar Trade, 1970–1980	77
4.3	International Net Sugar Trade, 1985–1994	86
6.1	US Market Access Requirements in Sugar, 2008	118
7.1	Government Supports in Selected Asian Countries	146
8.1	International Net Sugar Trade, 1994–2005	180

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List of Abbreviations

ACP	African, Caribbean and Pacific
ASEAN	Association of Southeast Nations
CAP	Common Agricultural Policy
CMO Sugar	Common Market Organisation of Sugar
COMECON	Council for Mutual Economic Assistance
CSA	Commonwealth Sugar Agreement
CSRC	Colonial Sugar Refining Company
DR-CAFTA	Dominican Republic-Central American Free Trade Agreement
DSB	Dispute Settlement Body
EBA	Everything But Arms
EC	European Community
ECLA	Economic Commission for Latin America
ECU	European Currency Unit
EPA	Economic Partnership Agreement
EU	European Union
FDA	Food and Drug Administration
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
GATT	General Agreement on Trade and Tariffs
GDP	Gross Domestic Product
GM	Genetically Modified
GSP	Generalised System of Preferences
HFCS	High Fructose Corn Syrup
IMF	International Monetary Fund
IPE	International Political Economy
IR	International Relations
ISA	International Sugar Agreement
ISI	Import Substitution Industrialisation
ITO	International Trade Organisation
LDC	Least Developed Country
MST	Movimento dos Trabalhadores Rurais Sem Terra
MT	Million Tonnes
NAFTA	North American Free Trade Agreement
NAMA	Non-Agricultural Market Access
NGO	Non-Governmental Organisation

OECD	Organisation for Economic Co-operation and Development
OPEC	Organisation of the Petroleum Exporting Countries
POJ	Proefstation Oost Java
RTA	Regional Trade Agreement
SCP	Sugar-Containing Product
SP	Special Product
SSM	Special Safeguard Mechanism
SSP	Sensitive Product
SUA	Sweetener Users Association
TRQ	Tariff Rate Quota
UNCTAD	United Nations Conference on Trade and Development
UNICA	Brazilian Sugarcane Industry Association
USDA	US Department of Agriculture
USTR	US Trade Representative
WTO	World Trade Organisation

The story of a lump of sugar is a whole lesson in political economy, politics, and morality.

– Auguste Cochin, cited in Scheper-Hughes (1992: 34)

1

Introduction

In 2005 sugar policy once again found its way into the headlines. This time the story revolved around the imminent reform of the Common Agricultural Policy of the European Union (EU) and the effects this could have on farmers and companies both in Europe and the group of mainly former colonial states known as the African, Caribbean and Pacific (ACP) countries. In essence, the stories had two angles: first, that the sugar industry in the EU was a bastion of protectionism and was long overdue reform, and second, that while this reform was necessary, the sugar exporting ACP countries dependent on these arrangements were likely to lose out. As the negotiations intensified around this esoteric piece of legislation, competing interests were increasingly set into relief and the timbre of dissension grew as the final verdict neared. In the end, the decision was taken in Brussels to substantially lower the price received by suppliers to the EU market, causing the biggest change to European sugar policy in over 30 years and substantial losses for the ACP. As the *Financial Times* later reported, the reforms would herald a new economic reality for sugar in which 'the days of preferences are over' and 'the era of competitiveness' underway (Hawkins 2008).

But there was also another dimension to these stories. It was the idea that these new economic realities, or the forces of globalisation as they are more commonly known, were an unstoppable and indispensable development. If this was the case, there seemed to be something missing from the journalists' reports, some discrepancies and oversights in the logic. For one, if these liberal reforms were unstoppable, why was the sugar policy of so many other countries still able to elude it? Did globalisation in fact have an incomplete reach? And for another, if these types of reform were indispensable, why was it that the poorer

sugar-exporting countries seemed to suffer most? Was globalisation actually hurting the people its defenders argued it was meant to help?

The reform of this single piece of sugar legislation opened the door onto these and many other questions besides. Having since immersed myself in the subject and read the introductions to many other publications about sugar, this unfolding of questions seems to be a common feature of the commodity. What starts with a single story or point of interest quickly escalates into a serial fascination, and what at first seems an innocuous, pure substance – the ubiquitous refined white sugar – quickly comes to embody a complex social relation and penetrating capitalist metaphor. In a way, sugar comes to represent the ultimate commodity: commonplace enough to seem totally banal yet integral to so many aspects of people's lives as to be totally vital. It is this obscured dimension of sugar, the story behind the sweetener, which we seek to explore in greater detail.

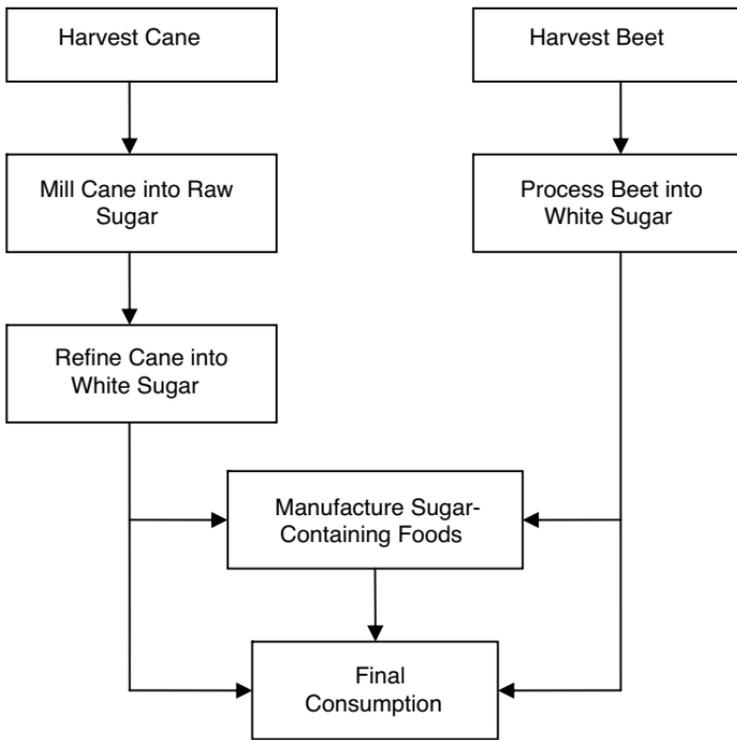
Why sugar as a topic?

So sugar makes for such an interesting topic because it is both ubiquitous and provocative. Slavery, degradation, obesity, poverty... the list is longer still. As such, the commodity can be studied from a number of perspectives, making its productive genesis, its environmental impact, its links to ill health, or even its cultural and symbolic attire a motivation for enquiry. Building on the questions generated by the story above, what we articulate here are two analytical puzzles that act as motivation for a study pertaining to sugar's international political economy.

The first puzzle is the fact many countries protect their domestic sugar farmers from trade, and have done for centuries, despite in most cases being able to import the product at much lower cost. Closer examination of the production chain of sugar detailed in Figure 1.1 helps clarify why so many people find this situation absurd.

The first thing to note is that the same product (white sugar) can be made from two different crops (sugar cane and sugar beet). This product is absolutely identical, even down to its chemical formula $C_{12}H_{22}O_{11}$ – the properties of pure sucrose. Given that cane grows in tropical climates and beet in temperate climates, it is therefore possible for sugar to be grown right across the globe. However, the efficiency with which the sucrose can be extracted in these different locations differs. At a *very* general level, and despite the extra stage of processing, it is more efficient to produce sugar from cane. Given that many developing countries are in tropical areas and thus suitable destinations for this crop, to obstruct this oppor-

Figure 1.1 The Transformation of Sugar Crops from Farm to Food



Source: Author.

tunity through protectionism seems perverse to advocates of both international development and free trade. The second point to note at this stage is how refined sugar is bought by manufacturers for use in processed goods like confectionery and soft drinks, and by consumers directly, for use in home cooking and to sweeten drinks and cereals. By protecting domestic markets from trade and keeping the price of sugar higher than it would have otherwise been, these policies confer additional costs on these actors and create another set of losers. The size of these costs is staggering. Between 1999 and 2001, the OECD (2002: 56) reckoned more than *half the value* of sugar production in its member countries came from government support or transfers from consumers, totaling an average of \$6.4 billion per year.

To add to what is typically seen as an inefficient and unjustifiable transfer of wealth to sugar producers in developed countries, these policies also act as a major sticking point in international trade negotiations, hindering the conclusion of free trade more generally. While all countries

are expected to feel some pressure to defend liberalisation of 'sensitive' industries, meaning those in which there is a strategic or social exigency in protecting, sugar seems an unlikely candidate for such special treatment. The industry contributes a fraction of GDP in developed countries and employs dwindling numbers of farmers and workers, relative to both industrial and service sectors, and indeed the rest of agriculture. So for sugar to be protected in the first place, and then to hold up reciprocal liberalisation and greater welfare gains across the economy as a whole, appears to some as even more irrational. Taken together, these points comprise what we might refer to as the 'protectionist paradox', one of the central themes animating the political discourse on sugar.

A second puzzle, and again one that speaks directly to the discipline of international political economy, is the way in which sugar is associated both with rural development and with poverty. An implicit assumption in the arguments presented above was that if poor countries were able to export sugar to protected markets, employment rates, tax receipts and foreign exchange earnings in the industry would all increase and the lives of their citizens would thereby be enriched. An opposing view, and an unequivocal one at that, was summed up by the editor of the *New Internationalist* David Ransom, who wrote in a 2003 special on the commodity:

Sugar has never enriched anyone but slave traders, local landlords, industrial farmers, sugar barons, speculators, food corporations, PR consultants and professional politicians. No-one has ever traded their way out of poverty with sugar, and there's no reason to suppose that they ever will.

This is what we might call the 'production paradox': how the existence of a sugar industry, with all its negative connotations, can still be seen as a boon for rural communities, even a necessity in those areas where it has long been established. Debates and decisions about this paradox are certainly no academic triviality. According to the International Labour Organisation (2005: 127), 75 per cent of the world's poor live in rural areas and in developing countries the agricultural sector accounts for 40 per cent of employment. Sugar is an important component in this make-up: worldwide, the industry accounts for approximately 15 million direct jobs in estate and factory work and in the region of 100 million indirect jobs in small-holder cultivation and temporary cane cutting (Better Sugarcane Initiative 2005: 8). The vast majority of these jobs are in developing countries.

Again the crop transformation diagram offers an initial insight into how this paradox emerges. Unlike fruit, vegetables or grains, sugar cane and beet is rarely eaten directly as it requires extensive processing to become edible. The juice must first be extracted, cleansed and crystallised, then finally purified through centrifugal force to leave refined white sugar. Moreover, as a supplement to diets rather than a staple, it is typically produced as a cash crop. Because of these features, production usually entails concerted capital investment and to ensure commercial viability is often large scale. From the beginning, sugar becomes predicated on hierarchical organisation and inequalities of ownership; the plantation economy being the best known manifestation. But, as one starts to scratch the surface, varying types and readings of production begin to appear. For example, commercial ventures they may be, but it is evident that many sugar producers provide essential services such as health care and community clubs and, furthermore, are often considered to be good employers (possibly even the only employers) in remote rural areas. In addition, despite the persistence of 'backward' and deplorable practices such as bondage slavery and child labour, it is often the case that the factories and their farm suppliers are highly advanced technologically, even seen in some quarters as the vanguard of economic growth in the countryside. In short, normative judgements about the poverty-reducing value of the sugar industry clearly cannot be made without first engaging with the complex, concrete realities of production.

Why a political economy approach?

The analytical problems highlighted above have been cited as motivations for an international political economy approach and will undoubtedly be already familiar to readers in some form. Debates about protection and production in sugar are centuries old, and in many cases, the outcomes of these debates, transformed into policy, have changed the course of history. Who would have thought that today, for example, New York might still have been New Amsterdam had the Dutch accepted the British offer in 1667 to keep the American port town in exchange for its sugar estates in Surinam? For our two paradoxes, the continued importance of their consequences has continued to generate a fresh flow of words debating them. So in effect, what we are really asking here is: why *this* book? In other words, what can a renewed look at the political economy of sugar tell us about the world of sugar that we cannot already read, or easily extrapolate, from

existing literature? To answer this question, we now briefly review the leading academic books that address these issues and identify the shortcomings and gaps contained within them. The literature is divided according to the following typology: world history, world economy, agri-food geographies, and idiosyncratic commodity studies.

World history

World history refers to the writings that cover the spread of sugar production, typically cane production, as it made its way west from Southeast Asia to Europe and from then on to the Caribbean. The symbiosis of colonialism and cane forms a central theme as the unfolding of slavery, migration, land appropriation and even capitalism itself are all visible in the expansion of sugar production through the tropics. Standout texts in this category include Sidney Mintz's *Sweetness and Power* and Jock Galloway's *The Sugar Cane Industry*, both of which surpass simple colonial narratives to bring into focus the systemic international dimension of production; in Mintz's case highlighting the changing cultures of consumption that drove demand for sugar in Britain, and in Galloway's case highlighting the variegated forms that sugar production took and the multicultural societies it left in its wake. Cojoining these older histories are studies profiling the nationalisation and increasing unionisation in many sugar industries during the turn of the 20th century; Bill Albert and Adrian Graves' two-book edited collection *Crisis and Change, 1860–1914* and *War and Depression, 1914–1940* serving as the best example here.

While essential building blocks for contemporary analysis, the obvious drawback of this literature is exactly its historical focus. Even the more recent world histories, such as George C. Abbott's *Sugar* that presents a systematic look at the international commodity agreements between beet and cane producing states and the policies pursued within this framework, take us only as far as the 1980s. While such work is necessary to historicise the structures of the modern sugar economy, and while some of the analytical insights stand the test of time, serving as useful points of entry into contemporary debates, there have been enough recent changes in sugar production to warrant a renewed mapping of the issues and power struggles crystallising in the current era, with reference in particular to the phenomenon of globalisation.

World sugar economy

One set of literature that has kept abreast of recent developments has been work devoted to translating the world sugar economy. This refers to those studies which attempt to make sense of the plethora of data on production costs, trade flows, consumption drivers, etc. and piece them together in an intelligible whole, articulating the directions of individual national markets and how they scale up to influence the world market. Besides giving the 'bigger descriptive picture', as it were, this type of work also offers explanatory insights into the idiosyncrasies of national markets and the price volatility characteristic of the world market, centring on the effects of trade barriers and production regulations. Chief among this literature is *The World Sugar Market* by Sergey Gudoshnikov, Lindsay Jolly and Donald Spence, *Sugar and Related Sweetener Markets* edited by Andrew Schmitz, Thomas Spreen, William Messina Junior and Charles Moss, and *The Economics and Politics of World Sugar Markets* edited by Stephen Marks and Keith Maskus.

While this literature offers the advantage of being up to date and is always quantitatively insightful, it is found wanting in two crucial departments. The first is in its explanatory insights, which it generates almost exclusively from a position of overt economism. This is a perspective that seeks to explain price movements as the result of temporary disequilibria in self-regulating market mechanisms, or, where structural imbalances are detected, as largely the fault of government intervention. As a result, its political economy is essentially predicated on a description of how governments disrupt smooth functioning markets, or, more fundamentally, how politics gets in the way of economics. In this way, the analysis tends to a truncated view of politics, understood merely as the actions of states, and a facile view of the economy, understood as a universal and impersonal sphere of interaction. Related to this, the second limitation is that there is a strong normative thrust in the literature in favour of liberalisation and market rule, so much so that it tends to be overly preoccupied with predicting the gains from wholesale liberalisation. By way of example, in his paper entitled 'Alternative US and EU Trade Liberalization Policies' Won Koo believes a fundamental question to be 'what is going to happen in the US sugar industry if the US government eliminates the Sugar Program while other countries maintain their subsidies' (Koo 2002: 342). Notwithstanding the limited probability of this type of radical reform actually happening (and thus the practical relevance of such studies), these enquiries also direct attention away from other more pressing political economy questions, particularly about

the relationship of sugar to equality and sustainability; questions which are typically marginalised, even maligned, within this approach.

Agri-food geographies

The literature that takes us closest to a contemporary and critical perspective on international sugar production can be found in what is commonly referred to as 'agri-food' studies. The epithet agri-food refers to the work of rural geographers who inscribed into their studies a consideration of how food processors and biotechnology companies were driving change in farm production. One strand of this work that is particularly relevant is the work on 'food regimes' that emerged in the 1980s associated with Harriet Friedmann and Philip McMichael, and since carried through by scholars such as Tony Weis. Their research agenda, grouped around a comparison of alternate world historical food regimes, showed how the mass production of standardised, durable and highly processed foods in the post-war era was born of two trends in the new international division of labour. First was the import substitution of tropical exports from the South by agri-food industries based in advanced capitalist countries, which created cheap competition to traditional cash crops, and second was the integration of agri-food sectors, also in the capitalist core, based on the emergence of food manufacturing as a transnational sphere of accumulation. Under this approach, valuable new insights were generated into the place of sugar in both the disintegration of the old colonial division of labour and the changing nature of the Fordist diet.

Undoubtedly, the food regimes scholarship gave studies about agriculture and the international food system a much-needed 'shot in the arm' with its Marxist-inspired political economy, and much can, and will, be taken here from this approach (Ward and Alma[*o*]s 1997). However, its tendency to centre analysis round a 'broad-brush' account of the transformation of capitalist agriculture has left it open to the criticism that it overlooks heterogeneity at the local level and is too quick to lump together disparate and divergent processes into grand epochal narratives (Whatmore 1994; Marsden and Arce 1995). Moreover, derived from this broad-brush analytical commitment it also has an empirical tendency to focus on the US and its traditional export sectors (grains and livestock), or, in more recent scholarship, the 'value-added' export sectors emerging in developing countries (sea-food, fruits, etc). In exploring the issues idiosyncratic to sugar and which run counter to many of those happening in the rest of agriculture, a food regimes approach tends to leave a lot of unanswered questions or a

'residue of anomalies' connected to the commodity (Fine *et al.* 1996: 120).

Idiosyncratic commodity studies

Overcoming these drawbacks, a number of other writings have considered the political economy of sugar through alternative, more idiosyncratic theoretical lenses. Ian Drummond and Terry Marsden in their book *The Condition of Sustainability* compare the modes of sugar production in Australia and Barbados through the prism of an ecologically informed regulation theory; Michelle Harrison, in her book *King Sugar*, looks at the place of Jamaica in the regional and global sugar economy through an approach infused with commodity chain theory; and Ben Fine, Michael Heasman and Judith Wright consider in *Consumption in the Age of Affluence* the demand management of sugar in the UK through Fine's systems of provision analysis. Yet whilst they explore the intricacies of sugar in greater detail, in respect of our analytical problems they arguably go too far in the other direction, sidestepping explanation about the formation of global rules and international trends in favour of studying the environmental, social or consumer politics of sugar in largely national terms. It is this lacuna that the book will attempt to fill. Detailed more in the next chapter, it will suffice to say here that our 'regime' approach is intended to highlight the spatial, modal and contradictory nature of the rules and norms associated with a particular industry. In this way it will both decouple the regime in sugar from the prevailing food regime at large whilst also providing the platform to link changes in individual states to pressures emanating from systemic global forces.

Aims of the book

So far a rationale for studying the prevailing regime in sugar has been constructed out of desire to explore the paradoxes of protection and production that remain overlooked in existing literature. This general thrust will now be broken down into a set of specific research questions that details the points of entry into these debates and also suggests where the wider intellectual contribution of the book will lie. The first question asks: what are the terms of competition for sugar producers? This refers to the different regulatory environments that exist worldwide and the opportunities and constraints they confer on firms according to their locale. An exploration of these environments is expected to reveal the different international and intra-national advantages received by certain fractions

of capital and labour at the expense of others. Implicitly, this question also enquires about the extent of globalisation in the sugar regime, understood as the entrenchment of a set of rules and norms that correspond to the free movement of goods, an opening of capital investment, a deregulation of state controlled prices and the homogeneity of tastes and technology. If globalisation is indeed occurring, we should expect to witness significant convergence among previously distinct regulatory environments to this standard.

The second question then asks: what are the ascendant strategies of accumulation within these terms of competition? Accumulation is understood here as the transformation of capital – encompassing finance, knowledge and social power – into privatised wealth, and strategies of accumulation as the ways in which this transformation manifests itself among the owners/managers of capital. The implicit interrogation here is of the relationship of sugar production to development, as it is only with reference to how businesses relate to labour and land within the environment set for them that their contribution to living standards can be concretely understood. Simply equating international development with increased export opportunities or decreased import competition is considered far too shallow a reading.

The third and final question asks: how are the terms of competition remade? This is directed to the preferences of state elites – it is maintained through the book that states continue to underpin the international trade and production in sugar – and how these are shaped by the demands of different industry actors, international negotiations, and general electoral and economic imperatives. In this respect, an implicit question is posed about reform in policy systems that have long been immune to change, and, upholding the critical stance we wish to take, the options for resistance by actors typically marginalised from the arenas of policy formation.

Tying the answers to these three questions together will also shed light on a more fundamental issue about how we should best conceptualise and critique the exercise of power in the international political economy. In particular, it will highlight the ‘power to institutionalise’ – which we refer to as ‘refined’ power in contrast to explicit forms of ‘raw’ power seen in prolific political donations or the use of forced labour, say – which condition outcomes seemingly without recourse to politics. In re-politicising the sugar regime this way, it is intended that the study will both correct the oversights of current literature highlighted above, and also encourage further debate on the

causes and consequences of globalisation in the agri-food sector but this time with the 'anomalous' case of sugar more fully factored in.

To answer these questions, the book draws on country data included in four case studies – the EU and ACP, the US, Asia, and Brazil respectively – which were chosen for several sets of reasons. First, the case studies are geographically widespread and cover countries with different governing institutions and economic profiles. As such, they provided a litmus test as to whether the sugar regime is indeed in the process of globalisation, as we would expect in such an eventuality to witness uniform pressure across all these spatial and economic frames. Putting this in terms of our research questions, we were able to monitor whether the international and intra-national terms of competition were coalescing around a universal standard, and whether this was due to the same mechanisms of policy reform in all places.

Second, and related to the spread of countries chosen, the large range of case studies better allowed for the full spectrum of sugar politics to be interrogated. By avoiding the temptation to focus solely on the core countries of the world economy or the former colonies in the Caribbean, each of which make certain aspects of sugar politics more apparent than others, we both guarded against an ethnocentric bias *and* created the space in which to explore different contestations found in this multi-faceted industry. For example, while the chapter on the EU looks primarily at the relationships within the sugar-producing industry, the chapter on Asia looks at the relationships between the sugar-producing and sugar-using industries. Giving adequate space to these differing contests ensured that we could drill down into their respective minutiae, before tying them together in the concluding chapter and acknowledging the cumulative presence of these contestations, if only retrospectively, in all countries engaged in sugar production.

Last of all, the cases were chosen as they corresponded to the leading architects of international rules governing production and trade. Either because of broader economic and diplomatic weight (the US, EU and Japan) or because of moral and legal weight as developing countries and low cost sugar producers (India, Thailand and Brazil), these countries maintain the biggest influence over sugar policy and as such we can learn a lot about the sources of power within the sugar regime by delineating the linkages between their domestic and international preferences. Moreover, as the country most likely to benefit under trade liberalisation, the inclusion of Brazil and an interrogation of the social and political economy effects of increased exports is considered highly revealing of the purpose of power in the regime.

Shape of the book

Following on from this introductory chapter, Chapter 2 starts our theoretical overview by tracing the formation of the international political economy (IPE) discipline in its mainstream guise. In the narrative built around this branch of IPE the discipline is said to emerge in the 1970s as US scholars tried to account for the renewed importance of economic affairs in international relations. Central to these academic efforts was the concept of a 'regime', which referred to an international issue-area subject to interstate regulation. The battles between realists and liberals, and later on, constructivists, over the way in which regimes should be conceptualised helped map out the substantive and normative concerns of the IPE field. However, these theoretical frames harboured a regime concept that was weak on the sources of power and weak on critique, given that it focused mainly on state interactions and had a normative bias toward stability. Thus the second half of the chapter turns to critical IPE theory, particularly the work contributed from a 'post-states and markets' perspective, that followed in its wake, and which provide a more appropriate framework in which to re-embed the regime concept. Given the suitability of the core theoretical tenets of the regime to a study of global sugar production, we argue that this concept is also preferable to two common alternatives, global governance and global value chains. The chapter ends by providing three methodological imperatives – regulatory structures, strategic coalitions and economic identities – that together will help map out the evolution of the broad-set sugar regimes.

Chapter 3 takes up this challenge by charting the emergence of the commercial sugar trade and its apotheosis in the colonial sugar regime in the 18th century. It argues that the rules and practices constituting this regime drew Europe, Africa and the Americas together in the famous 'triangle trade' and, in the Caribbean in particular, inscribed a number of legacies which would fundamentally shape its future social and political economy development. But the regime also withheld a number of potent contradictions that were ultimately made manifest by liberal discourse, abolitionism, and war, and which led to the collapse of this regime and its replacement by the national sugar regime. Chapter 4 picks up the consolidation of the national sugar regime in the aftermath of World War II and argues that the trade regulation, domestic coalitions and processed food consumerism that characterised the latter half of the 20th century in sugar were essentially inherited from the pre-war era. The only major dislocation was caused by the geo-politics of the Cold War, but, once the

regime had been pressed and fitted into this foreign policy orientation, relative stability was resumed. This was shaken by the food crisis of the 1970s, which again can be seen as a result of inherent contradictions in the way production and trade was controlled, and again created the momentum for wholesale regime change. The inauguration of the World Trade Organisation in 1994 and the inclusion of sugar within the multi-lateral process suggested that the globalisation of previously nationally-ordered regimes would be the most likely outcome.

Chapters 5, 6, 7 and 8 cover the contemporary, empirical section of the book and examine how the anticipated globalisation of the sugar regime has been played out in different sugar-producing countries. Chapter 5 begins by focusing on the EU and its erstwhile preferential trade agreements with the ACP. When the EU reformed its long-standing protectionist policy in the wake of a WTO challenge by Australia, Brazil and Thailand, the case was hailed as a victory for liberalism and evidence of the strength now entrenched in international rules on trade. The main point raised in this chapter is to argue that, despite defeat at the WTO, dominant capital in the EU sugar industry has continued to prosper after reform while divestment in the ex-colonies has left producers in the ACP facing difficulties of adjustment far in excess of plain terms of trade losses. Further, it also reveals why EU reform was not solely a response to WTO legislation but, rather, because of the relationship of sugar to wider economic fortunes, resulted from an assiduous attempt by the EU Trade Commission to press the sector into a WTO-compatible Common Agricultural Policy.

Chapter 6 considers the evolution of the national regime in the US, especially in light of the free trade agreement in sugar now in force with Mexico. Even though imports are still under tight control, this and other trade agreements have sharply reduced the ability of the US industry to relieve domestic pressure by manipulating imports and have thereby intensified the threats to one of the most important world markets. The chapter then makes the more novel argument that imports are only one source of competition to US sugar producers. Declining real prices have forced significant restructuring on the industry and spawned a number of interesting evolutionary developments. The first has been the attempts by sugar producers to manipulate government policy to bolster consumer demand in both sugar and sugar-based ethanol, while the second has been the weakening of the traditional alliance between the sugar industry and the corn industry. Together they suggest new institutional opportunities and challenges to the mechanisms that have traditionally protected US sugar.

Chapter 7 turns attention away from the core economies of the North and instead toward the Asian region. It opens with an account of the prevailing system of trade relations in Asia, defined as a bilateralism that has liberalised export-oriented sectors whilst protecting import-sensitive sectors, with sugar firmly in the latter category. Nonetheless, as in the previous chapter, it is argued that regulatory pressure stemming from the trade environment has not been the sole factor conditioning strategies of accumulation in the sugar industry. In this case, it is the volatile conditions of domestic price instability and credit shortages that have led to severe agrarian hardship. In addition, the 'nutrition transition' in Asia toward diets with higher sugar content is also depicted as a likely stimulus for change or, at the very least, a source of endemic contradiction, as pressures are placed on states in the form of growing health risks and increasing opportunities to benefit from the processed food trade that cannot be avoided simply by abiding to a protectionist policy orientation.

Chapter 8 completes the core research section of the book by returning to the recently inaugurated global trade architecture, tracing the evolution of agricultural policy negotiations under the WTO. It argues that the ascendance of the G20 coalition of developing countries has ended the reign of the EU and US duopoly but that the prospects this holds for pro-development regulation are less than sanguine. Taking examples from the negotiations over agriculture, it is noted that consensus around the Doha Round text has been thwarted by the split over further preference erosion in the EU, which has pitted the ACP against Brazil and Thailand, and that confidence in the notion of progressive liberalisation has been undermined by the constant renewal of state-support in agriculture, as governments find loopholes in, create policies compatible with, or exclude commodities from, WTO regulation. The chapter then looks in detail at Brazil, the country expected to gain most from a global, liberal regime. Based on the growth in the industry since 2000, it finds that under the export-led agricultural model being promoted by the country's elites, rural development in the country is bifurcating, with some fractions of labour gaining better employment terms but many more losing job opportunities and access to land.

Chapter 9 offers some final conclusions on the nature of the incipient global regime in sugar. It addresses, first, the terms of competition that characterise the current regime, finding them to have the spatial and legal scope to ensure WTO legislation is adhered to but still lacking the social scope to expose farmers, especially those in the more powerful countries, to institutionalised price volatility. It then looks at the predominant strategies of accumulation and finds dominant capital in

the industry breaking the 'national envelope' of investment as well as moving into ethanol and niche sweeteners in order to insulate themselves from price competition. This is encouraging the further bifurcation of labour and the reconstitution of farmers as the industry becomes dependent on a slimmed down and increasingly technocratic workforce. Finally, it details the existence of bottom-up resistance to ever intensified agro-industrial production in the consumer movements in the North and farmer and landless protests in the South, but argues that, ultimately, the greatest form of agency is likely to be a corporate and path dependent one, as sugar processors in developed countries expand in such a way as to undercut their own support base and rationale for protectionism.

We hope you have enjoyed this short preview. Sugar: Refined power in a global regime by Ben Richardson can be purchased from Amazon here:

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