

SUSTAINABLE DEVELOPMENT OBSERVER

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Analysis That Matters

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SUSTAINABLE DEVELOPMENT OBSERVER ISSUE 8 APRIL 2022

WAR INDUCED FOOD INSECURITY



DO WE NEED TO GET HERE?

**War in Ukraine recalls urgent need for a society of love
– Pope Francis**

FROM THE EDITOR

"We have all seen the tragedy unfolding inside Ukraine: cities flattened; people suffering and dying in their homes and in the streets; the fastest displacement crisis in Europe since the Second World War," UN Secretary-General António Guterres pointed out in an address to the UN Security Council on April 5. "But beyond Ukraine's borders, far beyond the media spotlight, the war has launched a silent assault on the developing world," he warned.

Yet, the war in Europe continues with no end in sight, with Americans pouring millions of dollars worth of military hardware to help prolong the war, while the Russians show no signs of relenting on their attacks on cities and towns in Ukraine. But, this avoidable and selfish war is taking a heavy economic toll on the world's poor and the worst is yet to come as reflected by the articles we have presented to you in this issue. It is increasingly becoming clear that the US in particular is involved in an economic war that is creating a lot of collateral damage with no clear vision.

When the world needed sane and compassionate minds to overcome the devastation of the COVID-19 devastation, we are now facing the greatest threat to food security since the second world war and all this would have been avoided if Europe is able to think logically - one hopes it is not too late.

Dr Kalinga Seneviratne

Issue 8 - April 2022

Bringing You Stories and Issues
Relevant To Achieving The SDGs
in The Post-COVID Era

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FIRST CRISIS, THEN CATASTROPHE
Unless G20 leaders, the
IMF and the World Bank act
immediately, crises of
inflation, inequality and
COVID-19 could push over a
quarter of a billion more
people into extreme
poverty in 2022

OXFAM



Photo Credit: Food and Agriculture Organization (FAO)

Ukraine War Could Drive Millions Elsewhere into Starvation

By Kalinga Seneviratne

SYDNEY — While images of the war devastation in Ukraine have saturated the news bulletins around the world, a much more severe human disaster is unravelling in many other parts of the world that could throw over one-fifth of humanity back into poverty.

"We have all seen the tragedy unfolding inside Ukraine: cities flattened; people suffering and dying in their homes and in the streets; the fastest displacement crisis in Europe since the Second World War," UN Secretary-General António Guterres pointed out in an address to the UN Security Council on April 5.

"But beyond Ukraine's borders, far beyond the media spotlight, the war has launched a silent assault on the developing world," he added.

"This crisis could throw up to 1.7 billion people—over one-fifth of humanity—into poverty, destitution and hunger on a scale not seen in decades," he warned.

Ukraine and Russia provide 30 per cent of the world's wheat and barley, one-fifth of its maize, and 80 per cent of its sunflower oil. Together, their grain feeds the poorest and most vulnerable people, providing more than one-third of the wheat imported by 45 African and least-developed countries. Russia is also the world's largest exporter of fertilizer. Both disruptions to supply chains and impact of sanctions are now threatening the world's food security.

"The war in Ukraine will impact consumers across the world as the resulting increases in the price of food, energy and fertilizers put the next global harvests at risk," the Director-General of the Food and Agriculture Organization (FAO), Qu Dongyu, warned this month in an address to the 169th session of the FAO Council.

The meeting was held as the world's food prices reached a 12.6% rise in February, touching an all-time high in March with cereals and vegetable oil prices surging, according to FAO's latest Food Price Index.

These soaring prices for staple foodstuffs are "imposing extraordinary costs on global consumers, particularly the poorest," Qu said. Adding that with energy prices rising in parallel with food prices, "the purchasing power of vulnerable consumers and countries has further decreased".

Today's high fertilizer prices, meanwhile, could lead to lower fertilizer use next season and possibly beyond, with the real prospect of a drop in food productivity leading to even higher food prices and food insecurity for the world's poor in particular. "This would potentially result in even more undernourished people in 2022 and months to come," Qu warned.

Addressing the Spring Meeting of the World Bank in Washington on April 18, Group President David Malpass also rang the alarm bells.

"I'm deeply concerned about developing countries. They're facing sudden price increases for energy, fertilizer, and food, and the likelihood of interest rate increases. Each one hits them hard", he told delegates gathered in the US capital. "These, plus the war in Ukraine and China's COVID-related shutdowns, are pushing global growth rates even lower and poverty rates higher." Thus, he pointed out that the World Bank has lowered its global growth rate to 3.2 % from 4.1% before.

Malpass noted that while the latest food crisis is bad for everyone, it is "devastating for the poorest and the most vulnerable". He stated two reasons for this, with the first being that most of the world's poorest countries are food importing countries, while the second being that food purchases are more than half of their household budgets.

"Global trade is still facing quotas, high import tariffs, high export tariffs, expensive food price subsidies, and even export bans on food products. These should stop," warns Malpass. "The international community needs to immediately step up emergency assistance for food insecurity and help bolster social safety nets."

The Ukraine war and sanctions triggered food crisis has been made worse for most developing countries with the high debts they have incurred in fighting the COVID-19 pandemic.

In his address, Malpass acknowledged that high debt and deficit levels have put countries in severe financial stress. "Sixty per cent of low-income countries are already in debt distress or at high risk of it," he said.

The food price issue according to reports from the Washington meeting is high in the agenda of the World Bank meeting, because it could trigger serious social unrest around the world.

At the launch of IMF's World Economic Outlook report on April 19, its Chief Economist Pierre-Olivier Gourinchas said that governments in lower-income countries face reduced fiscal space to respond, with their revenue streams already strained by the COVID-19 pandemic and other shocks including the Ukraine crisis. IMF argues that while social support to people in need is key right now, it must be targeted.

World Food Program's executive director David Beasley in an address to the inaugural European Humanitarian Forum last month warned that the Ukraine crisis is going to throw up "a heck of a problem in about six to nine months" because not many people realize that Ukraine produces enough food to feed up to 400 million people. "If the agricultural leaders of the world can't compensate fast enough if the war doesn't end quick enough, you are going to have extraordinary conditions," he warned, adding that it will destabilize many nations.

Beasley in a recent Twitter pitch to Tesla owner Elon Musk said that billionaires should be asked to contribute one or two days' worth of their net worth increase during the COVID-19 pandemic to help address food insecurity issues, and he also argues that oil-producing states in the Persian Gulf should be told: "oil prices are up; you need to be stepping up in ways you've never stepped up before".

"While much of the world has stepped up in solidarity with the people of Ukraine, there is no sign of the same support for the 1.7 billion other potential victims of this war," laments UN chief Guterres. "We have a clear moral duty to support them, everywhere," he argues.

Guterres, in his address to the UN Security Council called on all countries to keep markets open, resist hoarding and unjustified and unnecessary export restrictions, and make reserves available to countries at the highest risk of hunger and famine. “This is not the time for protectionism,” he argues. “There is enough food for every country to get through this crisis if we act together.”

“The only lasting solution to the war in Ukraine and its assault on the poorest and most vulnerable people in the world is peace,” he said in a passionate plea to the Security Council.

World Bank head Malpass agrees. He argues that to give high priority to energy and food production, the global community needs to strengthen security and stability, which “involves a commitment to security and peace”. [Transmitted by IDN-InDepthNews – 22 April 2022]



UN’s Goal of Poverty & Hunger Eradication by 2030 is “Highly Unlikely, if not Impossible”

By Thalif Deen

UNITED NATIONS — A projected rise in global poverty this year - with over a quarter of a billion more people joining the ranks of the world’s poor - threatens to undermine the UN’s 17 Sustainable Development Goals (SDGs) adopted by the General Assembly back in 2015.

One of the primary goals, listed high-up as number one, was the eradication of extreme poverty and hunger by 2030. But neither is likely to be reached on deadline.

In a new study released April 12, the UK-based humanitarian organization Oxfam attributed the increase in poverty to three factors: the two-year-old COVID-19 pandemic, rising global inequality and the nearly two-month-old war in Ukraine.

The report, titled “*First Crisis, Then Catastrophe*”, published ahead of the World Bank and IMF Spring Meetings in Washington DC April 18-24, shows that 860 million people could be living in extreme poverty - on less than \$1.90 a day - by the end of this year.

This is also mirrored in global hunger: the number of undernourished people could reach 827 million in 2022.

Asked about the impact on SDGs, Nadia Daar, head of Oxfam International’s Washington DC office, told IDN: “When the SDGs were agreed, the goal of eradicating extreme poverty by 2030 was ambitious but achievable.”

To give an idea, between 1993 and 2017, she explained, the world’ extreme poor - those living on less than \$1.90/day - fell from 1.9 billion people to 689 million people. The economic effects of COVID-19 have been a huge blow with multiple millions more people being pushed into extreme poverty - the first significant increase in this measure in decades, she added. “And now, with the combination of COVID-19, inequality, and rising food prices, we project that 860 million people could be living in extreme poverty by the end of 2022,” said Daar.

She also pointed that “the impacts of the pandemic have meant that it was already highly unlikely if not impossible that we would achieve SDG1 by 2030”.

The World Bank has projected that COVID-19 and worsening inequality will add 198 million extreme poor during 2022, reversing two decades of progress¹.

Based on research by the World Bank, Oxfam now estimates that rising global food prices alone will push 65 million more people into extreme poverty, for a total of 263 million more extreme poor this year - equivalent to the populations of the UK, France, Germany and Spain combined.

“Without immediate radical action, we could be witnessing the most profound collapse of humanity into extreme poverty and suffering in memory,” said Oxfam International executive director Gabriela Bucher. “This terrifying prospect is made more sickening by the fact that trillions of dollars have been captured by a tiny group of powerful men who have no interest in interrupting this trajectory.”

Danielle Nierenberg, President and Founder of Food Tank told IDN Oxfam's report is sobering, “but if we mobilize resources and investment now, we can stave off the worst of the multiple crises taking place across the globe--our climate crisis, our global health crisis, our biodiversity loss crisis, and of course, the many conflicts creating turmoil across the globe” She said these are all leading to an increase in poverty, hunger, and suffering.

“Governments can take the lead in creating solutions, particularly around our food and agriculture systems, but they can't do it alone to solve. We need the private sector investment and civil society to give concrete guidance on how to create more environmentally, economically, and socially just economies that can provide accessible and affordable food.”

Asked about the impact of the Ukraine war on the current food shortages, Nierenberg said it is likely that the poorest and the most vulnerable will suffer both in the short and long term. In Ukraine itself, she pointed out, many people are already facing a hunger crisis because they have been forced into hiding and farmers are on the battle instead of planting staple crops like wheat and sunflower. “That will lead to food shortages that many countries, especially in sub-Saharan Africa, that have not been seen since World War II.” And she added, “it's not only food that will be in short supply, but also agricultural inputs.”.

A recent report from MWAPATA in Malawi finds that fertilizer prices are already rising - meaning that many farmers will not be able to supply nutrients to severely depleted maize fields.

Asked if the SDG's deadline should be extended beyond 2030 by the UN general assembly, she said these commitments were made during pre-COVID 19, pre-invasion of the Ukraine, and also before the impacts of the climate crisis have become evident daily with wild fires, higher than normal temperatures in the poles, and extreme weather events seen on the front pages of newspapers.

“We have a new normal that we have to recognize and deal with, and the SDGS, while so important, are likely impossible to reach by 2030. We need urgent action to address both the long term and acute impacts of poor policies, poor leaders, and lack of capital and investment in environmentally sustainable food systems,” she declared.

According to Oxfam, as many people struggle now to cope with sharp cost-of-living increases, having to choose between eating or heating or medical bills, the likelihood of mass starvation faces millions of people already locked in severe levels of hunger and poverty across East Africa, the Sahel, Yemen and Syria.

The report notes that a wave of governments is nearing a debt default and being forced to slash public spending to pay creditors and import food and fuel. The world's poorest countries are due to pay \$43 billion in debt repayments in 2022, which could otherwise cover the costs of their food imports. [Transmitted by IDN-InDepthNews – 13 April 2022]

¹ See <https://datatopics.worldbank.org/sdgatlas/goal-1-no-poverty/>

Ukraine War Might Trigger Food Riots in Poor Countries

By Lisa Vives, Global Information Network

NEW YORK — Ngozi Okonjo Iweala, the head of the World Trade Organisation (WTO), is warning that skyrocketing global food prices as a result of the war in Ukraine could trigger food riots from people going hungry in poor countries.



Photo Credit: WTO Director General Ngozi Okonjo Iweala.

WTO Director General Okonjo-Iweala urged food-producing countries against hoarding supplies and said it was vital to avoid a repeat of the Covid pandemic, when rich countries were able to secure for themselves the bulk of vaccines.

In an interview with *The Guardian* of the UK, the WTO director general noted the dependence of many African countries on food supplies from the Black Sea region.

“I think we should be very worried. The impact on food prices and hunger this year and next could be substantial. Food and energy are the two biggest items in the consumption baskets of poor people all over the world,” Okonjo-Iweala said.

“It is poor countries and poor people within poor countries that will suffer the most.”

Okonjo-Iweala, a former Nigerian finance minister, said 35 African countries were dependent on food imported from the Black Sea region, adding that Russia and Ukraine were responsible for 24% of global supplies of wheat.

After being strongly critical of the “vaccine apartheid” that affected Africa during the pandemic, she said WTO member states had to resist the temptation of protecting their own food stocks.

“It is a natural reaction to keep what you have - we saw that with vaccines. But we shouldn’t make the same mistake with food.”

The last time rising food prices sparked food riots was between 2006 and 2008. Protests broke out in developing countries as prices in a wide range of food, oil and other primary commodities increased in dramatic fashion, in some cases more than doubling within a few months. Policymakers were presented with the challenge of simultaneously addressing hunger, poverty, and political instability.

In Africa, food riots swept across the continent, from Egypt and Tunisia in the North, to Burkina Faso and Senegal in the West, and Madagascar and Mozambique in the South. The crisis reinforced the extent to which oil and food markets have become highly interdependent, and highlighted the relative inability of national governments and the international community to adequately deal with dramatic surges in food prices.

“We must make sure we learn the lessons from vaccines and previous food crises,” Ms. Okonjo-Iweala said. “I am not sure we can fully mitigate the impact of the war in Ukraine because the numbers involved are huge, but we can mitigate some of it.”

[Transmitted by IDN-InDepthNews – 29 March 2022]

The MADness of the Resurgent U.S. Cold War With Russia

Viewpoint by Nicolas J.S. Davies*

NEW YORK — The war in Ukraine has placed U.S. and NATO policy toward Russia under a spotlight, highlighting how the United States and its allies have expanded NATO right up to Russia's borders, backed a coup and now a proxy war in Ukraine, imposed waves of economic sanctions, and launched a debilitating trillion-dollar arms race. The explicit goal is to pressure, weaken and ultimately eliminate Russia, or a Russia-China partnership, as a strategic competitor to U.S. imperial power.



Photo Credit: The Nation: Hiroshima - It's time to ban and eliminate nuclear weapons

The United States and NATO have used similar forms of force and coercion against many countries. In every case they have been catastrophic for the people directly impacted, whether they achieved their political aims or not.

Wars and violent regime changes in Kosovo, Iraq, Haiti and Libya have left them mired in endless corruption, poverty and chaos. Failed proxy wars in Somalia, Syria and Yemen have spawned endless war and humanitarian disasters. U.S. sanctions against Cuba, Iran, North Korea and Venezuela have impoverished their people but failed to change their governments.

Meanwhile, U.S.-backed coups in Chile, Bolivia and Honduras have sooner or later been reversed by grassroots movements to restore democratic, socialist government. The Taliban are governing Afghanistan again after a 20-year war to expel a U.S. and NATO army of occupation, for which the sore losers are now starving millions of Afghans.

But the risks and consequences of the U.S. Cold War on Russia are of a different order. The purpose of any war is to defeat your enemy. But how can you defeat an enemy that is explicitly committed to respond to the prospect of existential defeat by destroying the whole world?

This is in fact part of the military doctrine of the United States and Russia, who together possess over 90% of the world's nuclear weapons. If either of them faces existential defeat, they are prepared to destroy human civilization in a nuclear holocaust that will kill Americans, Russians and neutrals alike.

In June 2020, Russian President Vladimir Putin signed a decree stating, "The Russian Federation reserves the right to use nuclear weapons in response to the use of nuclear weapons or other weapons of mass destruction against it and/or its allies... and also in the case of aggression against the Russian Federation with the use of conventional weapons, when the very existence of the state is put under threat."

U.S. nuclear weapons policy is no more reassuring. A decades-long campaign for a U.S. "no first use" nuclear weapons policy still falls on deaf ears in Washington.

The 2018 U.S. Nuclear Posture Review (NPR) promised that the United States would not use nuclear weapons against a non-nuclear state. But in a war with another nuclear-armed country, it said, "The United States would only consider the use of nuclear weapons in extreme circumstances to defend the vital interests of the United States or its allies and partners."

The 2018 NPR broadened the definition of “extreme circumstances” to cover “significant non-nuclear attacks,” which it said would “include, but are not limited to, attacks on the U.S., allies or partner civilian population or infrastructure, and attacks on U.S. or allied nuclear forces, their command and control, or warning and attack assessment.” The critical phrase, “but are not limited to,” removes any restriction at all on a U.S. nuclear first strike.

So, as the U.S. Cold War against Russia and China heats up, the only signal that the deliberately foggy threshold for the U.S. use of nuclear weapons has been crossed could be the first mushroom clouds exploding over Russia or China.

For our part in the West, Russia has explicitly warned us that it will use nuclear weapons if it believes the United States or NATO are threatening the existence of the Russian state. That is a threshold that the United States and NATO are already flirting with as they look for ways to increase their pressure on Russia over the war in Ukraine.

To make matters worse, the twelve-to-one imbalance between U.S. and Russian military spending has the effect, whether either side intends it or not, of increasing Russia’s reliance on the role of its nuclear arsenal when the chips are down in a crisis like this.

NATO countries, led by the United States and United Kingdom, are already supplying Ukraine with up to 17 plane-loads of weapons per day, training Ukrainian forces to use them and providing valuable and deadly satellite intelligence to Ukrainian military commanders. Hawkish voices in NATO countries are pushing hard for a no-fly zone or some other way to escalate the war and take advantage of Russia’s perceived weaknesses.

The danger that hawks in the State Department and Congress may convince President Biden to escalate the U.S. role in the war prompted the Pentagon to leak details of the Defense Intelligence Agency’s (DIA) assessments of Russia’s conduct of the war to *Newsweek*’s William Arkin.

Senior DIA officers told Arkin that Russia has dropped fewer bombs and missiles on Ukraine in a month than U.S. forces dropped on Iraq in the first day of bombing in 2003, and that they see no evidence of Russia directly targeting civilians. Like U.S. “precision” weapons, Russian weapons are probably only about 80% accurate, so hundreds of stray bombs and missiles are killing and wounding civilians and hitting civilian infrastructure, as they do just as horrifically in every U.S. war.

The DIA analysts believe Russia is holding back from a more devastating war because what it really wants is not to destroy Ukrainian cities but to negotiate a diplomatic agreement to ensure a neutral, non-aligned Ukraine.

But the Pentagon appears to be so worried by the impact of highly effective Western and Ukrainian war propaganda that it has released secret intelligence to *Newsweek* to try to restore a measure of reality to the media’s portrayal of the war, before political pressure for NATO escalation leads to a nuclear war.

Since the United States and the U.S.S.R. blundered into their nuclear suicide pact in the 1950s, it has come to be known as Mutual Assured Destruction, or MAD. As the Cold War evolved, they cooperated to reduce the risk of mutual assured destruction through arms control treaties, a hotline between Moscow and Washington, and regular contacts between U.S. and Soviet officials.

But the United States has now withdrawn from many of those arms control treaties and safeguard mechanisms. The risk of nuclear war is as great today as it has ever been, as the Bulletin of the Atomic Scientists warns year after year in its annual Doomsday Clock statement. The Bulletin has also published detailed analyses of how specific technological advances in U.S. nuclear weapons design and strategy are increasing the risk of nuclear war.

The world understandably breathed a collective sigh of relief when the Cold War appeared to end in the early 1990s. But within a decade, the peace dividend the world hoped for was trumped by a power dividend. U.S. officials did not use their unipolar moment to build a more peaceful world, but to capitalize on the lack of a military peer competitor to launch an era of U.S. and NATO military expansion and serial aggression against militarily weaker countries and their people.

As Michael Mandelbaum, the director of East-West Studies at the Council on Foreign Relations, crowed in 1990, “For the first time in 40 years, we can conduct military operations in the Middle East without worrying about triggering World War III.” Thirty years later, people in that part of the world may be forgiven for thinking that the United States and its allies have in fact unleashed World War III, against them, in Afghanistan, Iraq, Lebanon, Somalia, Pakistan, Gaza, Libya, Syria, Yemen and across West Africa.

Russian President Boris Yeltsin complained bitterly to President Clinton over plans for NATO expansion into Eastern Europe, but Russia was powerless to prevent it. Russia had already been invaded by an army of neoliberal Western economic advisers, whose “shock therapy” shrank its GDP by 65%, reduced male life expectancy from 65 to 58, and empowered a new class of oligarchs to loot its national resources and state-owned enterprises.

President Putin restored the power of the Russian state and improved the Russian people’s living standards, but he did not at first push back against U.S. and NATO military expansion and war-making. However, when NATO and its Arab monarchist allies overthrew the Gaddafi government in Libya and then launched an even bloodier proxy war against Russia’s ally Syria, Russia intervened militarily to prevent the overthrow of the Syrian government.

Russia worked with the United States to remove and destroy Syria’s chemical weapons stockpiles, and helped to open negotiations with Iran that eventually led to the JCPOA nuclear agreement. But the U.S. role in the coup in Ukraine in 2014, Russia’s subsequent reintegration of Crimea and its support for anti-coup separatists in Donbass put paid to further cooperation between Obama and Putin, plunging U.S.-Russian relations into a downward spiral that has now led us to the brink of nuclear war.

It is the epitome of official insanity that U.S., NATO and Russian leaders have resurrected this Cold War, which the whole world celebrated the end of, allowing plans for mass suicide and human extinction to once again masquerade as responsible defense policy.

While Russia bears full responsibility for invading Ukraine and for all the death and destruction of this war, this crisis did not come out of nowhere. The United States and its allies must reexamine their own roles in resurrecting the Cold War that spawned this crisis, if we are ever to return to a safer world for people everywhere.

[Transmitted by IDN-InDepthNews — 29 March 2022]

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Would the New Globalization Have an Eastern Face, If Western-Led Globalization Ends?

Viewpoint by E. Ahmet Tonak and Vijay Prashad *

NEW YORK | NORTHAMPTON — An article written by authors John Micklethwait and Adrian Wooldridge for Bloomberg on March 24 sounded the alarm to announce the end of “the second great age of globalization.” The Western trade war and sanctions against China that predated the pandemic have now been joined by the stiff Western sanctions imposed against Russia after it invaded Ukraine.

These sanctions are like an iron curtain being built by the United States and its allies around Eurasia. But according to Micklethwait and Wooldridge, this iron curtain will not only descend around China and Russia but will also have far-reaching consequences across the world.

Australia and many countries in Asia, including India and Japan—which are otherwise reliable allies of the United States—are unwilling to break their economic and political ties with China and Russia. The 38 countries that did not vote at the United Nations General Assembly meeting on March 24 to condemn Russia’s war in Ukraine included China and India; both of these countries “account for the majority of the world’s population,” Micklethwait and Wooldridge observe in their Bloomberg article. If the world bifurcates, “the second great age of globalization... [will come] to a catastrophic close,” the article states.

In 2000, Micklethwait and Wooldridge published the manual on this wave of globalization called *A Future Perfect: The Challenge and Promise of Globalization*. That book cheered on the liberalization of trade and finance, although its authors acknowledged that in this free market society that they championed, “businesspeople are the most obvious beneficiaries.”

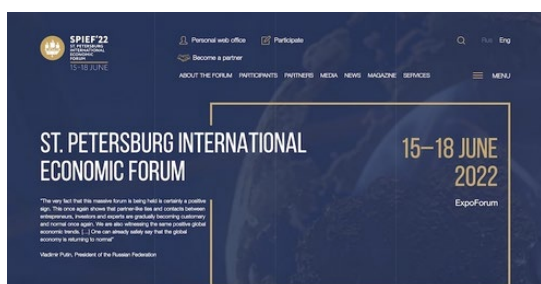
The inequalities generated by globalization would be lessened, they suggested, by the greater choices afforded to the consumers (although, as social inequality increased during the 2000s, consumers simply did not have the money to exercise their choices). When Micklethwait and Wooldridge wrote *A Future Perfect*, they both worked for the Economist, which has been one of the cheerleaders of Western-shaped globalization. Both Micklethwait and Wooldridge are now at Bloomberg, another significant voice of the business elites.

In an article for the International Monetary Fund, Kenneth Rogoff, a professor at Harvard University, warns of the risk of deglobalization. Such an unraveling, he notes, “would surely be a huge negative shock for the world economy.” Rogoff, like Micklethwait and Wooldridge, uses the word “catastrophic” to describe the impact of deglobalization. Unlike Micklethwait and Wooldridge, however, Rogoff’s article seems to imply that deglobalization is the production of Russia’s war on Ukraine and that it could be “temporary.”

Russia, he states, “looks set to be isolated for an extended period.” In his article, Rogoff does not delve very much into concerns about what this means to the people in many parts of the world (such as Central Asia and Europe). “The real hit to globalization,” he worries, “will happen if trade between advanced economies and China also drops.” If that happens, then deglobalization would not be temporary since countries such as China and Russia will seek other pathways for trade and development.

Longer Histories

None of these writers acknowledges in these recent articles that deglobalization, which is a retreat from Western-designed globalization, did not begin during the pandemic or during the Russian war on Ukraine. This process has its origins in the Great Recession of 2007-2009. With the faltering of the Western economies, both China and Russia, as well as other major economic powers, began to seek alternative ways to globalize.



China’s Belt and Road Initiative (BRI), which was announced in 2013, is a signal of this gradual shift, with China developing its own linkages first in Central and South Asia and then beyond Asia and toward Africa, Europe and Latin America. It is telling that the St. Petersburg International Economic Forum, a backwater event founded in 1997, has become a meeting place for Asian and European business and political leaders

who see this meeting as much more significant than the World Economic Forum (WEF) annual meeting held in Davos, Switzerland.

In the aftermath of the Great Recession, countries such as China began to de-dollarize their currency reserves. They moved from a largely dollar-based reserve to one that was more diversified. It is this move toward diversification that led to the [drop](#) in the dollar's share in global currency reserves from 70 percent in 2000 to 59 percent in 2020. According to author Tony Norfield, the [share](#) of dollars in Russian foreign exchange reserves was 23.6 percent in 2019 and dropped to 10.9 percent by 2021.

Deprived of dollars due to the sanctions imposed by the West, the Central Bank of Russia has attempted various maneuvers to de-dollarize its currency reserves as well, including by anchoring the ruble to gold, by preventing the outward flow of dollars and by demanding that its buyers of fuel and food pay in rubles rather than in dollars.

As the United States widens its net to sanction more and more countries, these countries—such as China and Russia—seek to build up trade mechanisms that are not reliant upon Western institutions anymore.

Deglobalization Leads to a Different Globalization

On January 1, 2022, the Regional Comprehensive Economic Partnership (RCEP)—the world's largest free trade pact—went into effect. Two years ago, 15 countries met virtually in Hanoi, Vietnam, to sign this treaty. These countries include close allies of the United States, such as Australia, Japan and South Korea, as well as countries that face U.S. sanctions, such as China and Myanmar. A third of humanity is included in RCEP, which accounts for a third of global gross domestic product. The Asian Development Bank is hopeful that RCEP will provide relief to countries struggling to emerge from the negative economic impact of the pandemic.

Blocs such as RCEP and projects like the BRI are not antithetical to the internationalization of trade and development. Economists at the HKUST Business School in Hong Kong show that the BRI “significantly increases bilateral trade flows between BRI countries.” China's purchases from BRI countries have increased, although much of this is in the realm of energy and minerals rather than in high-value goods; exports from China to the BRI countries, on the other hand, remain steady. The Asian Development Bank estimates that the BRI project would require \$1.7 trillion annually for infrastructural development in Asia, including climate-related investments.

The pandemic has certainly stalled the progress of the BRI project, with debt problems affecting a range of countries due to lower than capacity use of their BRI-funded infrastructure. The economic and political crises in Pakistan and Sri Lanka are partly related to the global slowdown of trade. These countries are integral to the BRI project. Rising food and fuel prices due to the war in Ukraine will further complicate matters for countries in the Global South.

The appetite in many parts of the world has already increased for an alternative to Western-shaped globalization, but this does not necessarily mean deglobalization. It could mean a globalization platform that no longer has its epicenter located in Washington or Brussels. [Transmitted by IDN-InDepthNews – 18 April 2022]

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Rice Exports to Sri Lanka Good Business for Myanmar

By Deshan Maduranga



Myanmar inks G-to-G agreement to export rice to Sri Lanka. Photo Credit: MMR

COLOMBO (IDN) — A recent statement by a Myanmar official has indicated that Sri Lanka has been buying rice from the country at a price higher than what others are paying for it. This has raised eyebrows in Sri Lanka that has prided itself for being self-sufficient in rice, its staple diet, for decades.

In a statement attributed to the secretary of the Bayintnaung Rice Wholesale Depot, U Than Oo, Myanmar's national daily Global New Light of Myanmar has said that in the past year Myanmar has been exporting rice to Sri Lanka and it has been a very profitable business.

"Sri Lanka is a neighbour of ours and it is easy to export rice from Myanmar by sea. We sell rice to other countries at USD 340-350 per tonne, but to Sri Lanka we have been able to sell at USD 440-450 a tonne," U Than was quoted as saying.

While Myanmar has been fetching over \$ 100 per tonne above the price paid by other countries, he has also said that the Sri Lankan authorities have not imposed any restrictions on the import of Myanmar rice.

"While Sri Lanka imposes no restrictions, Europe and China have been imposing various tariffs and other restrictions to protect their markets," says U Than. "So, it is somewhat complex to export rice to these countries."

Sri Lanka has signed a memorandum of understanding with Myanmar on January 7 to import 100,000 tonnes of white rice and 50,000 tonnes of brown rice this year and the next. Due to this agreement Sri Lanka would be spending \$ 15 million extra on rice imports.

According to a Sri Lankan commerce ministry statement, while Myanmar has quoted \$ 465 per metric tonne, the Sri Lankan counterparts have been able to negotiate the price down to \$445 per metric tonne.

Agricultural industry observers here predict that the rice harvest this year (due for harvest in April) could be down by about 30 percent. Today the rice prices in the market have skyrocketed creating social tension in the country.

After the fertilizer subsidies to farmers were lifted (after the organic farming policy was announced) and the guaranteed price for paddy was increased to Rs 75 per kilogram, it has made any price controls of rice in the market place impossible.

Government has announced that due to domestic market necessities, Sri Lanka would need to import up to 600,000 tons of rice this year. This would be the biggest rice imports to the country for 5 years. The government has also allocated Rs 40 billion (\$ 13.8 million) to compensate farmers for harvest losses due to the switch to the organic farming policy.

Due to the import of processed rice, United Rice Producers Society (URPS) says that it is threatening the closure of up to 500 small and medium sized rice mills in the country. "Only 75 percent of more than 800 rice mills in our country are in operation right now," says Kusumitha Muditha, president of URPS. After a long period of self-sufficiency in rice, on November 15 last year when rice imports began to flow in, it has created this situation, he added.

It is estimated that only 2.8 percent of farming land in the country use non-chemical fertilizer. After the announcement of the organic farming policy (in April 2021) some businesses have used household waste to make so-called "organic-compost fertilizer" to sell to farmers, which agricultural sources are worried is a fraud misleading farmer. Most of this is compost of food waste and is not helpful to realize Sri Lanka's organic farming dream.

The Central Bank has estimated that the leadership given to the Sri Lankan economy by agricultural activity has been now reduced by 7 percentage points and it has given rise to an agricultural industry that cannot satisfy farmers or consumers. It has come to a situation that seeds and fertilizer necessary for farmers are hard to obtain.

Most of the farmers in Sri Lanka do not own the land on which they farm. Out of the productive land in Sri Lanka, government owns 82 percent. Many of the farm leases of farmers have expired or lapsed.

There are fears that if the traditional methods of survival of the farmers are tampered with, Sri Lanka would need to depend on rice imports into the foreseeable future. The farm costs have gone up including labour and hire of farm equipment. It has also made the farmer a permanent debtor. The Peoples Bank that was set up to assist farmers has now distanced itself from the farm sector, while the government has shied away from assisting the farmer.

Today it is estimated that 22.2 percent of Sri Lanka's food needs are covered by imports. To address this Sri Lanka has imported rice from Myanmar without any checks on its standards and suitability (for Sri Lankan cuisine).

Within the Sri Lankan rice production industry there has been a shift in power structures with very few people controlling farming and especially trading. This has had a serious impact on the consumer according to the National Audit Office. They attribute this to the dire straits of the rice farming sector in the country. They have also pointed out that the ownership of rice mills in Sri Lanka has been slashed from 2000 people two decades ago to 800 today.

'Economynext' news noted recently that the government has given the nod to the State Trading Corporation to import limited quantities of rice from Myanmar to help stabilize the price of rice in the local market, which has been pushed up by a milling oligarchy, after Sri Lanka banned rice imports earlier and imposed an import tax. [IDN-InDepthNews – 31 March 2022]

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War and hunger: The Ukraine crisis from a food sovereignty lens

Ordinary people always bear the brunt of the conflict caused by the competing agendas of big global powers. Such is the case in the inter-imperialist rivalry underlying the Ukraine crisis between Russia and the US and its Western European allies. Although they suffer the most, the conflict affects not only the people of Ukraine and Russia. With a highly globalised economy under neoliberalism, the fallout of the war is also felt far beyond their borders. One dimension of this conflict is its impacts on the already grim state of the world's food security. What does this mean for Asia, where more than a billion people – half of the global total – are already food insecure?



Source: PAN Asia Pacific - <https://panap.net/2022/04/war-and-hunger-the-ukraine-crisis-from-a-food-sovereignty-lens/>

Russia's war shows Africa needs food independence , AfDB Chief says

Africa needs to move away from its dependence on food imports, according to the head of the African Development Bank. A big challenge is fertilizers, with supply affected by sanctions amid the Russian war in Ukraine.

Source: devex - <https://www.devex.com/news/russia-s-war-shows-africa-needs-food-independence-afdb-chief-says-103099>



Russia-Ukraine Conflict: Global Crisis Of Wheat Shortage Poses An Opportunity For India

Baisakhi last week brought cheer with bountiful, record production of wheat. The festival used to mark the end of wheat harvesting period, but now due to climate change, crops are still standing in fields, especially in Majha region of Punjab, awaiting ripening and harvesting.

What is the point of this recall? A global crisis of wheat shortage presenting an opportunity for India. Russia and Ukraine together export almost 30 per cent of total wheat exports in global market and the trade disruption due to Russia-Ukraine conflict have created a huge demand for export of Indian wheat.

Source: Swarajyamag - <https://swarajyamag.com/economy/russia-ukraine-conflict-global-crisis-of-wheat-shortage-poses-an-opportunity-for-india>



Building Forward Together: Towards an Inclusive and Resilient Asia and the Pacific

Building Forward Together: Towards an inclusive and resilient Asia and the Pacific is the theme report of the Asia-Pacific SDG partnership for 2022. Reflecting on the theme of the 9th Asia-Pacific Forum on Sustainable Development, it aims to support regional dialogue, in preparation for the High-level Political Forum on Sustainable Development (HLPF) and to inform implementation of the 2030 Agenda for Sustainable Development. The report considers pandemic impacts on prospects for achieving the SDGs, and how countries have been responding to this complex and still evolving crisis.

Download from - <https://sdgasiapacific.net/knowledge-products/0000023>

Draft Fisheries Subsidies Agreement: some key issues to address for a sustainable catch

This Policy Brief reviews the draft Chair's text for a Fisheries Subsidies Agreement (WT/MIN(21)/W/5). Pursuant to Sustainable Development Goal 14.6, any agreement must effectively discipline fisheries subsidies especially of larger scale fisheries and distant water fishing fleets and must cater to the needs of developing countries including in the form of effective Special and Differential Treatment (S&DT). This Brief highlights several provisions of the text which would need to be improved to reach its mandated objectives.

Source: Policy Brief 109, South Center, 31 March 2022 Download from - <https://www.southcentre.int/wp-content/uploads/2022/03/PB109-Draft-Fisheries-Subsidies-Agreement-EN.pdf>

First crisis, then catastrophe

New Oxfam estimates show that 263 million more people could be pushed into extreme poverty in 2022, due to the combined impact of COVID-19, inequality and food and energy price inflation – accelerated by the war in Ukraine. Poorer countries face looming debt crises and the purchasing power of wages is depressed, while corporate profits soar and billionaire wealth reaches unprecedented levels.



Source: OXFAM Download from - <https://www.oxfam.org/en/research/first-crisis-then-catastrophe>

Leaked draft text of discussions on the TRIPS Waiver proposal at WTO

Recently the media leaked a draft text on discussions facilitated by the World Trade Organization (WTO) Director-General with respect to the TRIPS (Trade-Related Aspects of Intellectual Property Rights) Waiver proposal. This text has not been agreed to among the US, EU, India and South Africa, who are involved in the discussions. The text is a mix of clarifications (on Article 31 and Article 39.3) and a waiver of Article 31(f) of TRIPS, which is the only waiver in the draft text.

Source: Third World Network Download from - https://www.twn.my/title2/briefing_papers/twn/Comments%20on%20leaked%20text%20TW-NBP%20Apr%202022.pdf

Russian and US Parallel Pathways to a Nuclear Conflict

Viewpoint by Ramesh Thakur

CANBERRA — In the 2020 election, President Donald Trump's supporters looked beyond manifest character flaws to domestic and foreign policy results but opponents couldn't overlook his character to assess any policy achievements. Joe Biden became president as much because Americans voted against Trump as for Biden. The buyers' remorse evident in opinion polls suggests that perhaps voters should have been careful what they wished for.



Dr Ramesh Thakur
Picture Credit: ANU

In an op-ed in *The New York Times* on 18 April 2017, Antony Blinken wrote: 'It's one thing for a foreign partner to doubt a president's judgment; it's entirely more debilitating when that partner doubts the president's word'. Now that he is Secretary of State, we can but wonder about Blinken's private views on Biden's judgement and word and whether he can be helped to 'overcome a credibility gap of his own making'.

The first problem, to borrow another Blinken phrase about Trump, is Biden's 'challenged relationship with veracity'. Biden's serial fabulism is legendary. He invented stories about being arrested in apartheid South Africa during a trip to see Nelson Mandela, marching in the civil rights movement, graduating in the top half of law class, driving an 18-wheeler, chatting with an Amtrak conductor as vice president when that conductor had retired 15 years before Biden became vice president, visiting Pittsburgh's Tree of Life synagogue after the 2018 massacre, having opposed the Iraq War from the start, etc.

The last example points to a second major problem with the vaunted boasts of foreign policy expertise. Biden opposed the war to liberate Kuwait in 1991, supported the Iraq War in 2003 and counselled President Barack Obama against taking out Osama Bin Laden in 2011. Hence Obama's brutal assessment not to 'underestimate Joe's ability to f..k things up', backed by former Defense Secretary Robert Gates assertion that Biden had been wrong on every major foreign policy and national security issue during his decades-long public life.

Biden escaped rigorous critical scrutiny that is the normal lot of presidential campaigns with the help of major media and Big Tech platforms that despised Trump. The world is now discovering just how grave the real-world consequences can be when reality bites back. This includes the dawning recognition that the prospect of a US–Russia nuclear war is more imaginable today than at any time since the 1962 Cuban missile crisis.

A premeditated nuclear attack is unlikely. Rather, the risk of a war that neither side wants lies more in the possibility of miscommunication, misperception and miscalculation that could see the cycle of provocation and escalation spin out of control. On one side, President Vladimir Putin has been the most criminally irresponsible of all the nine leaders of nuclear-armed states in normalising the discourse of the possession and threats of use of nuclear weapons. On the other side, Biden's 'verbal incontinence' (Gerard Baker) and cognitive impairment could lead to nuclear war through miscommunication or inadvertent launch. The existing US protocol, designed for speed and efficiency, permits the president to launch nuclear weapons with a single verbal order.

Over the past decade, leaders of several nuclear-armed states have engaged in irresponsible nuclear bluster. In May 2016, British Prime Minister (PM) Theresa May said she would be prepared to authorise a nuclear strike that could kill 100,000 people. In December Pakistan's Defence Minister Khawaja Muhammad Asif threatened a nuclear attack on Israel in response to a fake news story that Israel had threatened Pakistan with nuclear weapons, followed by the tit-for-tat exchange of mutually insulting and belligerent rhetoric by Trump and North Korea's Kim Jong-un in 2017. In February 2019, Pakistan's PM Imran Khan warned of the possibility of a nuclear war and India's Narendra Modi responded in kind.

Even against this backdrop, Putin's serial nuclear warnings are alarming. After Russia's annexation of Crimea in 2014, facing hostile Western criticism, he pointedly remarked, 'Russia is one of the most powerful nuclear nations'. When President Trump insisted in February 2017 that the US would stay at the 'top of the [nuclear] pack', Putin spoke of the need to do the same with Russia's deterrent. In March 2018, Putin boasted of a new array of invincible nuclear weapons. On 19, 23 and 27 February, respectively, he conducted a dress-rehearsal of Russia's ballistic missile forces, warned of nuclear war and very publicly put Russia's nuclear deterrent forces on 'special alert'. When the message was still not received in Washington, on 29 March, after a Kremlin spokesman said Russia would use nuclear weapons if it confronted an 'existential threat', *The Daily Mail* (UK) reported that Putin and his high command were already ensconced in top secret nuclear bunkers. The aim may have been simply to add urgency to the nuclear signalling. A perverse consequence for Russia, considering that NATO's eastward expansion has been the primary justification for the aggression, is that US nuclear weapons could end up being stationed in Poland on Russia's western and in Japan on its eastern flanks, among other places.

For his part, during his recent European trip to rally allies and boost Ukrainian resolve, Biden dropped three dangerous clangers. Asked at a press conference in Brussels on the 24th about Russia using chemical weapons in Ukraine, he said 'it would trigger a response in kind'. Addressing US troops in Poland the next day, he suggested US soldiers would be going to Ukraine and some were already there. In a speech in Warsaw on the 26th, he called for regime change in Russia, saying 'For God's sake, this man cannot remain in power'. This could only feed Putin's paranoia and make it easier to discredit domestic critics of the war. It triggered a furious response from Moscow and refutations from his own senior officials and allied leaders. If Biden's three statements were gaffes, it's worrying. If they were not gaffes, it's a frightening reminder of the risk of a gaffe-strewn road to nuclear war. Afterwards, he was caught responding to reporters' regime-change questions by hewing closely to a prepared 'cheat sheet' to stop him straying off script.

It was clear from the start, given the level of details on provenance and content provided by the *New York Post*, that the Hunter Biden laptop scandal was authentic. Now that even the *New York Times* has conceded that, the next key question becomes: what does this tell us about the implications of the president's possible involvement in shady deals with China, Russia and Ukraine, all three of which are central to how the current crisis plays out? One can admire President Volodymyr Zelensky's unexpected demonstration of heroic leadership without ignoring the ugliness of Ukraine. In Transparency International's 2021 corruption index published on 25 January, Ukraine's score was 32/100 with a rank of 122/180 countries, making it Europe's most corrupt country bar none. The EU average score is 66/100.

For over two decades Russia has signalled redlines over Ukraine that the West simply brushed aside. This is one explanation for why the anti-Russian consensus on Ukraine is localised to the West and not global, as Edward Luce notes in the *Financial Times*. Shivshankar Menon, India's former National Security Adviser (2010-14), writes in *Foreign Affairs* that Russia's war in Ukraine will transform Europe's geopolitical landscape but is not a transcendental conflict between autocracies and democracies, will not reshape the global order and has only limited relevance for the Indo-Pacific. China's continued rise is far more consequential for reconfiguring the emerging global order on both the geopolitical and normative axes than the last gasps of the Russian empire. Where is the line between immoral appeasement and prudent realism in encouraging Ukraine to seek accommodation with Russia, on terms that we might yet end up with in regard to Crimea, the Donbas and some sort of a neutral status with credible security guarantees for Ukraine? [IDN-InDepthNews - 26 April 2022]

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