Putin’s Pragmatic Agricultural Policy: The Value of “Stomach Diplomacy”

Vladimir Putin’s annual address to the Russian Duma at the end of last year was everything the West expected: “Turkey shot down the plane, so Turkey will get what’s coming to it,” he effectively said. Putin’s rhetoric on this subject fitted the general narrative, so was widely reported.

However the significant portion of his speech devoted to agricultural reform has taken a lot longer to attract attention outside Russia itself. It is only now being noticed, and few are confident of interpreting it correctly because it is not so easy to answer the question everyone asks when Putin opens his mouth – “What’s he up to this time?”

If they read this journal more often, they would know exactly what Putin is doing. He is indeed conducting another aggressive act against the West. But he is doing it in the way the West refuses to believe he is doing: waiting for the West to compromise itself and simply calling its bluff by doing the same thing the West has declared acceptable. A unipolar world means one set of rules. Putin is once again demonstrating, with this apparently unrelated action, that if that is what you want you have to face the consequences.

Weapons of mass consumption

On the surface, the agriculture reform seems merely logical. This is exactly why commentators have been searching so hard for hidden meaning. Russia never adopted the mass-production methods of Western agriculture, even during the days of forced collectivisation. It therefore has vast swaths of land which could be used productively but are currently idle. It makes a lot of sense for Russia to want to put this land to use, and if it is going to spend state money on such a programme it is obviously going to try and get the highest return it can.

Putin is proposing that not only should Russia grow all its own food but it should grow food of the highest value – what they call in the West “organic produce”, not genetically modified, GMOs, not artificially enhanced. This is the food everyone used to get before technology and corporate agriculture found ways of “improving” plants and animals and their processing. But because the technological approach has taken over it has created a market for these “healthier” or more “ideologically correct” natural alternatives, particularly in countries where cookery programmes dominate the TV schedules.

As this food is now exceptional, it commands higher prices which increasing numbers of people are willing to pay. This has made organic food the 21st century equivalent of cotton. The Soviet Union constructed enormous cotton plantations because it was the crop that gave the biggest cash yield, starting back in Imperial Russian in reaction to the American Civil War and the need for self sufficiency. It was not because it was interested in cotton itself but in response to economic and political realities. Would anyone expect the modern Russian state not to use the same methods to gain wealth and maintain its rightful influence on the world stage?

There are however three political factors which also lie behind Putin’s proposed agricultural reforms. Each of these is another example of exploiting a situation the West has created with its own hypocrisy. If these reforms are successful, Russia will indeed become a major organic food producer, and this will have considerable political
consequences the West will not like. But in each case, as ever, Putin will simply turn round and say, “We are doing the same as you, playing by your rules. If it’s alright for you, it’s alright for us. If you have a problem with it, stop doing these things yourself, as we have frequently asked you to do.”

Sanctions

Most countries import most of their food, whether they need to or not. Even if they can produce everything on their own, and in sufficient quantity and quality, international relations are built on trade agreements and competitive advantages. You are somebody’s friend if you buy and sell with them, and as most countries now see manufacturing and services as more progressive they develop and protect these domestically to ensure longer term prosperity, and see trading in agricultural products as a cost-effective, non-threatening way to cultivate partnerships.

Russia is however restricted in these practices by a number of economic sanctions imposed by the West. It was also excluded from the World Trade Organization, and therefore unable to comply with the rules of international trade, until 2012. This has been an ongoing problem: the collapse of the Soviet Union was presaged by complaints by the likes of Boris Yeltsin that “we can’t survive just by selling cheap crockery to the West”.

Now Russia is position to play catch up with the rest of the world, both in terms of trading networks and technology, and in order to compete in the required way but is being deprived of the means of doing so by sanctions and mistrust. If Russia cannot trade competitively it has no option but to fend for itself. It remembers only too well what it means to be hungry. Growing its own food would be a major step in that direction, as the population would not go hungry even if the whole world started a trade war with the Russian Federation.

But that policy in itself would merely make exports for impoverish small neighbouring countries such as Moldova and Georgia more difficult, which depend on Russian imports to survive. There would no political gain from such a policy, as splendid isolation would encourage everyone else to join Russia’s self-declared enemies.

If, however, it grows the food which Westerners with money and influence want, sanctions will have created a situation in which Russia gains ever-increasing wealth and influence, as it is precisely those sanctions which will have forced Russia to take this step. As the people with money determine Western policy, the West will then have to cut some sort of trade deal advantageous to Russia and forget about sanctions, which will thus be shown to have a political rather than an economic basis, just like the ones once imposed on other countries but ignored in practice, against racist Rhodesia, 1960s Portugal that would not give up its colonies, etcetera.

Biofuel

Russia is not the only country which could produce large amounts of organic food. Other countries with a better developed agricultural base could use their land for this purpose with a few modifications, as unlike Russia they have better climates and a workforce already in situ. Furthermore, unused land in Eastern Europe is increasingly being bought and exploited by agricultural entrepreneurs from emerging economies such as India and China, who successfully utilise local resources and labour or bring it with them.

But what most of these countries have soon discovered is that it is more cost-effective to use their agricultural products for bio fuel, which is not very sustainable--the latest so called “green alternative” to petrol, than for food. Most of the developing countries in partnership with the West still use traditional fossil-fuel petrol because they increasingly represent the best markets for this product; the West claims that it is doing everything it can to cut “carbon emissions,” and that claim is highly debatable. The more countries go into partnership with the West, where the money and population are, the more the laws of the market dictate that they devote their agriculture to producing biofuel.

As long as Russia is seen with suspicion by the West it will be able to profit from this process. If no one wants to trade with Russia they won’t allow it to muscle in on the bio fuel fade. Therefore, unlike those countries where the raw materials of this fuel are grown, it will be able to keep food prices and supply stable even in times of drought or depression.

Once again, sanctions will have created conditions in which Russia can thrive, while creating increasing problems for the countries which are supposed to benefit from them politically, those who have gone into partnership with the West. Russia can make clear political gains from growing food for itself rather than fuel for the West, and using the hypocrisy that pushes “harmful” petrol dependency on the developing world to suit the West against it is one of those.
It is often said that all foreign policy is based on energy rather than ideology. Governments know that without energy they can’t get anything done; that by controlling oil and gas pipelines, and the electricity grid, they can make their own political terms.

But both foreign and domestic policies are actually based on something even more fundamental: stomachs. This isn’t said so often, because stomach diplomacy works in a more subtle way. But it nevertheless has an effect which goes far beyond mere questions of supply and sustainability.

The classic example of stomach politics was the Tariff Reform Campaign initiated by Joseph Chamberlain in the United Kingdom in 1903. This argued that the British Empire was losing ground economically and politically to Germany and the US, and should therefore introduce a system of “Imperial Preference”, i.e., impose tariffs on imports from outside the Empire and preferential trade terms for the colonies.

In an era dominated by liberal free trade and the supposed democracy it had brought, this was a controversial proposal. Both supporters and opponents presented detailed, abstract economic justifications for their positions. But one argument eventually trumped them all: imported food was cheaper than domestically produced food. If these measures were adopted, prices would rise and the few would get richer at the expense of the many. Consequently Chamberlain’s Unionists were hammered at the parliamentary election of 1905, and that was the end of that.

Nowadays Chamberlain’s country is a member of the EU, exactly the sort of trading bloc, imposing preference for those within and protection against those without, he was proposing at the time. So it was about stomachs, not economics or ideology. A referendum will be held on 23 June to decide whether the UK should remain a member, and over a hundred years later the debate is proceeding in exactly the same way. Both sides have strong economic and ideological positions, but the closer the day gets, the more the argument becomes: will I get cheaper food by staying in the EU or leaving it? This is ultimately what will decide the referendum.

All the Western aid to its poorer partners has not helped them feed themselves, as the 2008 global food riots demonstrated. It is because that aid is actually designed to promote ideology, criminality and terror, as a succession of stories from Georgia has shown. Partnership with the West is based on supporting such practices, for ideological reasons, rather than improving the well-being of a given population. If it can get its land working, Russia will give the people of developing countries as well as trendy Westerners what they want, which they will ultimately pay for with Western money, and thus expose Western aid for what it is.

**Conclusion**

The West is very fond of proclaiming principles and then completely ignoring them. When it does, Russia takes advantage. It imposed sanctions on Russia whilst ignoring them elsewhere, so Russia has to grow its own food and the West will want to pay for it. The West deprives others of food to get fuel, so Russia wants to supply it and gain eternal alliance. The West wants to keep people poor for the sake of global prosperity, so Russia will give them food and make itself both more prosperous and a greater friend than the West has been.

Soviet-era agricultural reforms didn’t work. That is because they didn’t give people what they wanted but what the party told them to want, for ideological reasons. What the Krushchev-era party did then is exactly what the West does now – and by getting Russian agriculture moving, Putin may just have found a way to send the West the same way as the Soviet Union for doing the same things.

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