

## FOOD POLITICS IN A GLOBAL FOOD SYSTEM: FOOD AND LIVELIHOOD INSECURITIES IN ASEAN

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Neo-liberalism have constructed power for transnational food corporations in food supply chains and established a global food regime dominated by big food companies. The processes of food production are complex with many stakeholders in the food system, but the transnational food corporations are able to control the system in ASEAN, which brings about impacts on food and livelihood securities among food producers. This work attempted to find the relations and processes in the food production with relevance to food and livelihood securities among small-scale farmers in ASEAN countries. Qualitative research methods have been applied by data collection in related documents, field observation techniques and in-depth interviews during March to October 2018. Thailand and Cambodia were selected as the case studies in ASEAN countries. The research found that local farmers in Thailand and Cambodia face the conditions of food insecurity by forces of food supply chains. Unequal power accumulation between the primary producer and the capitalist in the global food system causes the powerless farmers to conform to the system that exploited their livelihoods into the conditions of insecurity.

**Keywords:** Food security, Food regime, ASEAN, Transnational Corporations, Farmer

### Introduction

The world in the 21st century is influenced by globalisation and neo-liberalism trends, which have constructed power for transnational food corporations in food supply chains and established a global food regime dominated by big food companies. Local farmers, primary food producers in rural areas have merged into the international market system and the global food supply chain as labour workers in food production but take a risk with their own investment. Diminishing government responsibilities in regulating the food system and free trade mechanisms bring food and agri-food export countries into circumstances of insecurity among small-scale farmers who are both primary producers and consumers in food supply chains.

In 1990s, after neo-liberalism emerged together with ‘free trade’ mechanism through international financial institutions of developed countries to developing countries (Beeson

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2005: 198). Private sectors were supported to develop their competitiveness in international trade regulations to facilitate free movement of goods and capital, especially, reducing tariff and non-tariff barriers. Hence, the international mechanism attempts to reduce state intervention in the international trade system. In contrast, the mechanism helps private sectors to accumulate their capitals by gaining accesses to resources in other states easily via free trade agreements. The advanced companies expanded and gained more advantages in the global market. It was not only cheaper resources that they gained, but also consumers in new markets where big food companies overcame local enterprises in competition.

Nowadays, the processes of food production are complex with many stakeholders in the food system, but the transnational food corporations are able to control the system from primary producers to food distributors, and also consumers. The food production processes push small-scale farmers, the primary food producers into conditions of food and livelihood insecurities by unequal power of access to the resources. In developing countries, the state is forced to restructure economic policies following international regulations, for example, privatization of state enterprise as an equal competitor without state intervention. Therefore, foreign investors are able to compete within domestic markets and local businesses had to adapt themselves by merging with trans-national corporations (Chattopadhyay 2010).

The food system in the contemporary world is not limited only by a specific area, it flows around the world from one place to another place via international trade, particularly, processed foods, which are consumption trends of modern society. Thus, food supplies, travel along supply chains from everywhere and the cost of industrial food production is able to decrease by mass production and easy access (Ericksen 2008), for example, CP, a big food company located in Thailand, expanded their investment into many countries (Polack 2012). Food becomes a part of political issues in both aspects of production and distribution to consumers (Narindhornkul Na Ayutthaya 2012).

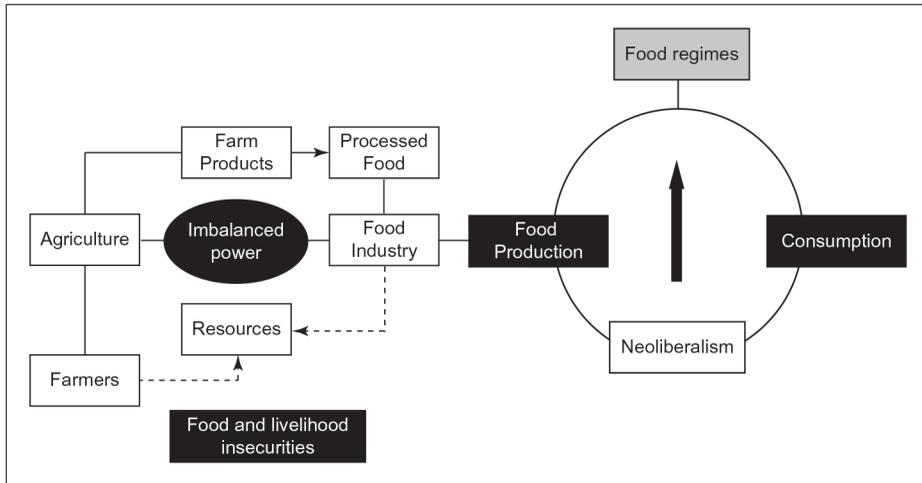
The concept of food regimes was developed by Friedmann and McMichael (1989), to explain international food systems during post-WWII, which were a part of U.S. political strategy. They applied historical approaches to study the background of the global food system that emphasized to the hegemon who dominated the system and articulated into food regimes from each period (McMichael 2009). Food regimes in the 21st century are dominated by transnational food corporations because neo-liberalism promotes free trade concepts. Food is regarded as a commodity as well, thus the global food system is in control of transnational food companies.

This work questions how the transformation of the food production system in ASEAN countries brings about impacts on food and livelihood securities among food producers, which is a part of the research project entitled: Food (in) security: from ASEAN producers to European consumers.

### **Conceptual framework and methodology**

The concept of food regimes by McMichael has been applied to study the structure of the global food system. Friedmann and McMichael (1989) developed the concept of food regimes through food system's historical approaches to illustrate the changing agricultural

systems in modern society. Food regimes explain the roles of food and agriculture in a political economy by the structure of capital accumulation that becomes the food trajectory in a global economy. Therefore, food is relevant to industrialization and technological development as crucial parts of food supply chains at a global level.



**Figure 1:** The conceptual framework explains relations in the process of food production under the control of food regimes in 21<sup>st</sup> Century

Food regimes emphasize food hegemony that dominated as the great power in each period to expand their power via market and ideology. During post-WWII, USA dominated the geopolitical structure of the world and attempted to push a model of developmental state to Third World countries in producing food surplus in the form of food regimes (McMichael 2009). At that time, the Green Revolution expanded among Southeast Asian countries to formulate food supply chain relations between farmers and industrial entrepreneurs. Hence, the food regime structure was controlled by a powerful country as the hegemon of that period. Nevertheless, the hegemon in the 21st century has changed from the state actor to the non-state actor by neoliberal trends.

Political ecology approach has been applied to analyze the imbalanced power in food supply chains when food systems are changed. The system involves relations in food production, in which agricultural sectors are regarded as primary production. Political ecology, thus is applied to explain the circumstances in food production systems among ASEAN countries as parts of the global food system. Escobar (1999) stated that a political ecological approach is relevant to accumulation in history, biology and cultural practices. These are formed into relations between humans and nature. Hence, political ecology is neither power in historical contexts, nor environmentalism. It embedded cultural and natural features into power and resource redistribution. Environmental policy emerged amongst UN member countries since the Earth Summit 1992 in Rio de Janeiro, Brazil, and generating sustainable development among environmental movements. However, in developing countries, the poverty and inequality in resource access are involved (Piempongsan 2000). Thus, environmental policy in developing countries needs to be implemented with social justice.

Natural resource access, for instance, water, air and also seeds are important for human living. The access to natural resources is an impact of capital control and means of production, which social structure shapes resource redistribution. The agricultural sector is a crucial part among developing countries at both national level and local level to produce food as a basic need for humans and to increase national GDP by exporting goods. Nevertheless, many developing countries face the problem in malnutrition, including local farmers, the food producers. Inequality in resource access, thus, causes food insecurity among food producers who are not able to set the price of goods on their own.

The concept of food security has been applied to explain the impacts of unequal power to small-scale farmers. In terms of food security, there are various definitions by different approaches. Since 1970, the concept of food security has been mentioned (Chan-on 2014), but the mainstream concept of food security in recent times is constructed by Food and Agriculture Organization (FAO). In 1974, UN organized The World Food Summit in regard to the ability to produce adequate food for the whole world as the expansion of consumption and instability of food prices were able to affect the availability of food (FAO 2003). Later in 1996, the Rome Declaration on World Food Security and World Food Summit Plan of Action indicated that food security was the condition of food accesses with safety, nutrients and adequacy. Moreover, people need to have this condition all the time by physical and economic dimensions for well-being (FAO 2011). Therefore, the principle of food security involves food access, adequate amounts, safety and nutrition for sustainable living.

Meanwhile, Amartya Sen mentioned that a crucial cause of food shortage among poor people, was not from inadequate food but rather the relation to the causes of rights to food in political aspects (Prasertsak 2012). The rights to food included the right to choose food production for household consumption. The circumstances where people were not able to access the right, meant that people were in the condition of food insecurity.

Food security is also stressed as an essential dimension of human security in Human Development Report 1994 (Oscar & Des Gasper 2013). The terms of human security are indicated by freedom from want and freedom from fear (Hanlon, R. J. & Christie, K. 2016) in a broad sense and in various issues but larger than security from violence and crime (Oscar & Des Gasper 2013). The threats that bring food insecurity are the obstacle to freedom from want in human security. Moreover, the frame of human security is interlinked with social fabric index that consists of education, food security, governance, health and peacefulness (CROP 2016). Hence, food security becomes an important part of social fabric that connects people in society together in a form of a global food system.

The researcher attempted to find the relations and processes of structure in the global food system with relevance to food and livelihood securities among small-scale farmers, in ASEAN countries. Qualitative research methods have been applied by data collection in related documents, field observation techniques and in-depth interviews of 5 key informants who are in food production and distribution. Thailand and Cambodia were selected as the case studies in ASEAN countries but each has a different size of food export, while small-scale farmers still exist in rural areas of Thailand and Cambodia. Textual analysis

techniques were used to examine and interpret text data from documents and interviews that were collected during March – October 2018.

### **Food Industries in ASEAN**

The food production in the modern world does not only depend on the agricultural sector because of industrialization and influences Fordism changed the pattern of food production from a local level to a global level for mass production. Mass production can reduced production costs but needs to have a large market to distribute food products further. Food industry nowadays, transformed the system of food production (Carolan 2016) and brought about farm product prices such as rice, maize and wheat at very low rates in the global market. Hence, cheap foods are available and accessible for labour workers and poor people for living. Agriculture and industrial sectors merged into the food supply chain and the growth of agroindustry and agribusiness became the key element in controlling of the food supply chain.

ASEAN countries in Southeast Asia comprise of Myanmar, Thailand, Laos, Cambodia, Vietnam, Malaysia, Indonesia, Singapore, Brunei, Philippines and Timor Leste. In this region, large amounts of arable land and population are in the agricultural sectors, especially, on Southeast Asia's mainland and Mekong Basin regarded as the rice bowl of Southeast Asia (Yeophantong 2015: 3) . The Green revolution has not only changed mass production for domestic consumption, but also food supply export from ASEAN countries to the global food system. Nowadays, many ASEAN countries have developed food supplies to export to food products such as processed food and frozen food with the growth of food manufacturers. Therefore, food producers are more complicated and varied than farmers in agricultural sectors. Moreover, the growth of transnational food companies became the key actor in food supply chains by controlling the production base and distribution networks.

The cases of food production in Thailand and Cambodia were selected as the samples from ASEAN countries to compare. They have economic size differences, but both countries still have high rates of population in agriculture, even though, Thailand's GDP in the agricultural sector has reduced for decades (CIA 2016) . Also, Thailand is a significant food exporter in the global market and has various investments in transnational food companies. While Cambodia has been regarded as LDCs (Least Developed Countries) and the report of World Food Program (2010) indicated the food shortage and malnutrition was at 40% among kids below 5 years-old, the Cambodian government released the agricultural policy to increase yields and farm production every year. Rice export increased higher than other farm products. Furthermore, the government attracted foreign investments into Cambodia by approval of concessions given to large plantations to increase the export food supply. The different circumstances in Thailand and Cambodia have brought into comparative analysis of food security conditions in ASEAN.

Food becomes a commodity to gain a high profit as it is a basic need for human living. Food business in the name of Big food (Hamilton 2004 in Booth & Coveney 2015), is a business that controls the food system, hence all consumers never question the

available food that they consume as unusual. Moreover, they trust in what transnational food companies control in the food industry to guarantee the standard of food production (Lang & Heasman 2004 in Booth and Coveney 2015). Food prices are not set by market mechanisms in demand and supply but from instability of the global agricultural market. Some food supplies are the important material to generate fuel such as maize and sugarcane (United Nations Office for Disaster Risk Reduction 2013). Consumers thus have no power in control over the food price.

In ASEAN countries, many food products are exported into the global market. FAO (2018) stated that Vietnam is the top country to export black pepper and cashew nuts, and Indonesia is the top in cinnamon and coconut exports. Most of the pineapples in the global market are from the Philippines and Thailand (FAO 2018). However, food exports are not operated by those governments; private food companies play the key role in food production and distribution instead. The biggest sugar company in Southeast Asia originates from Thailand and invests in large plantations in Laos and Cambodia to produce sugar supplies, it not only serves the Thai market but also other big food companies in the form of subsidiary contracts (Reuters 2018). Large areas in those countries were allocated to foreign investors for food export, while labour forces and natural resources, particularly, land in the poorer countries are used to serve export food industries, not domestic consumption.

Thailand is also the country where many transnational food companies are based because of high consumption; meanwhile some business tycoons in Thailand have turned into transnational food companies in order to invest in other ASEAN countries as well.

### **Political ecology of the food supply chain in Thailand**

Land is the key factor for food production. FAO stated that 34.6% of land in Thailand is used for agriculture and livestock, while only 21.8% in Cambodia (FAO 2018). Although, Thailand's GDP in the agriculture sector is only at 9% (CIA 2016), Thailand is still highly rated in world rankings at 16th for food export (World atlas 2018). Hence, food products in export are not solely from the agricultural sector, but Thailand's export food products comes in various forms of processed food, for example, canned food and frozen food, which have a higher value of export for food and agri-food products at 986,696,416,714 Baht (32,889,880,557 USD) in 2017 in comparison to the agricultural sector at 576,621,445,352 Baht (19,220,714,845 USD) of the same year (Ministry of Finance 2018).

Since Thailand released the National Economic Development Plan in 1961, the country's export rate increased rapidly. The consequence from the national plan was not only changing economic structure, but also social structure (Uthai 2017). Agriculture development policy was put into the plan to export more agricultural products than rice into the global market. Cash crops which have high demands such as sugarcane, cassava and para-rubber were promoted to small-scale farmers for planting and to get income from selling, instead of planting for household consumption. Therefore, small-scale farmers then merged with the market economy to plant what was in a high demand in the market. A farmer in Prachuab Kirikhan Province mentioned that this condition affected other crops, which were not for export and had a lower price, then, many small-scale farmers

decided to invest in new crops that were supported by the government (Somchai, personal communication, March 30, 2018). Today, canned food products are in the top export list of Thailand's agri-foods after para-rubber and rice (Office of Secretary, Ministry of Commerce n.d.). The industrial sector, thus, has been supported by government policy to increased international trade. In a food supply chain, the function of a small-scale farmer is the primary producer to serve raw materials of processed food products to food companies for export.

As canned foods become high in demand in international trade, food supplies such as fruits and seafood are needed in large amounts to produce canned food products for export. In Prachuab Kirikhan Province, Thailand, small-scale farmers replaced their farmland with pineapple farming instead of other plants that they used to sell in their own communities. The largest canned fruit company is set in Prachuab Kirikhan Province to produces mainly pineapple products, for instance, canned pineapple and pineapple juice for both internal and international trade (Tipco 2014). According to Somchai (personal communication, March 30, 2018), *“when the first pineapple factory was set up, selling pineapples to the factory made a high profit for farmers thus, they changed to plant pineapple to sell to the pineapple factory instead”*. His wife (personal communication, March 30, 2018) also added *“We needed an investment loan, if we requested the loan from Thailand's agriculture bank to plant pineapple, we could get approval easier and a higher amount of loan than other plants such as coconut or papaya”*. Therefore, the farming direction in each area was not the decision of farmers or even consumers of that area anymore, the government had indirect influences on farmers in choosing the farming direction that matched the global demand via the state's financial institution. And also, the government supported food industries to help find supplies to serve their production by adapting land use regulations for industrial investment on an agricultural zone (BOI 2016) and convincing those farmers to plant products, such as pineapple, instead of other plants.

Because small-scale farmers merged into market economy, they had to plant economic crops to gain better prices following the demands in the market. However, farmers were not able to control their goods in the market because they were committed to the farming contract with the canned fruit company.

*“Price is set by the factories, and it's not a stable setting. During the supply shortage, they will give a higher price of 14 Baht/ kg. But when in oversupply period, the price will go down to 3.5 Baht/ kg. During this time, the size also matters, smaller sizes will be divided and the price will be cut to 1 Baht/kg. Unripened fruits will be excluded from counting”* (Chan, personal communication, March 31, 2018).

Chan is a local farmer who started planting pineapple more than a decade ago and described her experience of selling her products to fruit companies in Prachuab Kirikhan province. It implied that the relation of local farmers and fruit companies was that where the local farmers were not able to negotiate the price by themselves. If they did not sell to the company at that time, local farmers could not earn anything because of the number of ripened pineapples were in oversupply for local demand. Hence, local farmers had no

choice as they were already in a part of the global food system to produce large amounts of economic crops for global demands instead.

The pattern of export food production in Thailand is also changing from the large plantations invested by big companies to that of contract farming invested by local farmers. The food companies thus get food supplies to serve their enterprises without paying wages and social welfare to workers; also the companies do not need to invest in the ownership of the farmland anymore. All costs are now the responsibility of local farmers but the companies set the price of goods. *“The nearby company buys only ripened pineapples but another one far away from my farm, buys both ripened and unripened because they have various products and the unripened pineapples are able to make dried pineapples. However, the buying price of the company nearby is better”* Somchai (personal communication, March 30, 2018) mentioned about the buying price of fruit companies. This circumstance revealed the way that a local farmer struggled to sell his products and attempted to sell all his supplies, although the price was lower than the production cost. Sunisa, a 30-year-old woman who used to work at a fruit company near her village. She lives with her mother who has her own land but not a pineapple plantation because she is allergic to chemicals.

*“About 4-5 years ago, I used to be a factory worker of the pineapple company that was owned by a person from my village. He gave me 300 baht per day for working at the factory but I worked there less than 3 months and I quit because the work was too hard for me as I had to stand for a long time during working...my work was about cleaning and size selecting pineapples after the company bought them from farmers”* (Sunisa, personal communication, March 31, 2018).

She explained her reason even though she had a good wage at that time. Today, the company mostly hires workers from Myanmar to do the job that Sunisa used to do *“Now, he (the owner) has hundreds of workers from Myanmar as daily workers who get 310 baht per day, OT (Over Time) is not included”* Sunisa (personal communication, March 31, 2018) added. It seems that the pineapple company is growing as the owner sometimes, requested workers to do OT. However, for a local farmer who sold his pineapples to the company, *“I know only this company makes canned fruits but I never know about those methods. The inside area of the factory is prohibited for outsiders, so I just delivered pineapples at the front of the factory”* Somchai (personal communication, March 30, 2018) informed that he never knew about the processes of the pineapples that he sold after selling them.

Both Chan (personal communication, March 31, 2018) and Somchai (personal communication, March 30, 2018) mentioned their products which were only for sale, but some items that were rejected from the company due to wrong size or unripeness would be eaten by the farmer families or fed to cows (Chan, personal communication, March 31, 2018; Somchai, personal communication, March 30, 2018). As a fresh fruit, pineapple has a limited time for selling, thus local farmers are not able to keep them to sell at the next high price period. While the primary producer has to accept any price that the fruit company offers, the company seems to have various choices in processing pineapple into many products, for instance, juice, canned fruits, jam and dried fruits. From fresh pineapple to processed food, the company needs to invest in high-tech machines and modern knowledge

to preserve their products for a longer shelf life because they get exported through the global market. The food products from the food industry in Thailand depends on the demand from outside as well. Thai food companies that export their products internationally get the order to produce on demand. Therefore, many products from Thai food companies are not sold under their own brands but under the brand names of big food companies in each country (Kuiburifruit 2018).

Within the food supply chain, unequal power relations have emerged as local farmers are exploited from food industries and local food industries are dependent on transnational food companies. Neoliberal trends generated the new form of production in the form of sub-contracting instead of large scale plantation to reduce production costs but gained more competition. The big companies that have more capital accumulation, thus get advantages, while small producers lack bargaining power. Food becomes the crucial commodity in international trade; transnational food corporations have the economic capital to access the resources from all over the world to control not only the world market, but the global food system. Local producers both in agriculture and industrial sectors are subordinated by transnational food corporations in the food system.

### **Transnational agri-food corporate investments in Cambodia**

Food production systems in Cambodia have different contexts in comparison to Thailand because Cambodia opened up their economy to international trade since 1990. Therefore, the food production in Cambodia in the beginning was to serve household consumption. In 2014, Cambodia had 45% of its population in agricultural sectors and 26.7% of GDP composition were from agricultural sectors (International Trade Administration, USA, 2018). However, approximately 80% of people in Cambodia depended on fish from the Mekong River and Ton Le Sap Lake for protein nutrition (Yeophantong 2015). Land transformation from small farming to agro-industry caused insecurity to local livelihood directly.

While the external forces induced Cambodia's government to restructure the national economy following global trends by an open market and free trade for economic competition, foreign direct investment (FDI) was the key policy to attract foreign capitals in industrialization. Domestic private sectors in Cambodia needed to adapt themselves by shareholding or merging with foreign investors (Chattopadhyay 2010: 347). After the end of the cold war, ASEAN countries became the new markets of investment for transnational corporations (TNCs), between the years 2000 and 2010 which the rate of foreign investments in Cambodia increased 5 times (Polack 2012). Therefore, the government preferred to convince foreign investors into Cambodia to increase GDP and economic growth rapidly.

Processed food and instant food in Cambodia are available in modern trade stores, which are mostly imported from neighboring countries. According to the observations of the researcher during October 2018, food products in supermarkets and convenience stores in Phnom Penh were from Thailand, Vietnam, China and South Korea, while fresh markets that served local people had vegetables and fruits from both Cambodia and other neighbor countries. In food industrial sectors, many foreign investors were able to invest

in a kind of agro-industry in Cambodia. For example, the sugar company from Thailand produces sugar in Cambodia that not only serves the demand in Thailand, but also other big subsidiary food companies. Many large areas in the countryside have been allocated to foreign investors by government concessions. Natural resources and labour forces in a poor country are exploited by transnational food corporations and leads to conflicts between indigenous farmers and the company which resulted in the lawsuit in 2018 (Reuters 2018).

Besides the Thai sugar company, there is another sugar company with its headquarters located in London, UK. The company had got a concession to invest in a large area of Cambodia where local farmers live by getting communal land deeds from the government. However, conflicts occurred when there were overlapping lands between the concession land and the communal land (Pearce 2012). The government policy attempted to support foreign investors to gain more capitals into the country, on the other hand, all natural resources in the country have been grabbed by transnational food companies for low cost food production and the most affected group are the local people in Cambodia.

Recently, Cambodia's government supported domestic private sectors to export consumer goods in which the textile industry becomes the main export goods for the country. Nevertheless, the valuable trade is from foreign investments that have set-up the manufacturing bases in Cambodia. In the agriculture sector, the government also supported increasing cash crop farming for export. In 2017, the amount of export grains was at 346.7 mil. USD and in 2016 export vegetables was 289.2 mil. USD, an increase of 1249% (Workman 2018). These numbers indicated that cassava, rice and maize were the top agri-food exports due to Cambodia's farming policy for international trade (Sok Chan 2018) and that USA, Germany, UK, Japan and Singapore were the main import countries of crop products from Cambodia (Simoes 2016). Dan (personal communication, May 31, 2018), the owner of a Khmer restaurant in Germany also confirmed the quality of Cambodian rice export products. He mentioned that Cambodian rice products available in Germany were of a better quality than domestic Cambodian rice consumed within Cambodia. However, it is possible that some rice companies in Cambodia are from Thailand and Vietnam but transferred their manufacturing in Cambodia to get special export tariffs to EU countries (Dan, personal communication, May 31, 2018).

Therefore, Cambodia has the policy to use land to gain the maximum profit from agri-food export. Moreover, the rate of consumption in Phnom Penh city is increasing because of the increasing population in urban areas. Urbanization reduced farmland in the Phnom Penh region, which has impacted the access to food for people in the city (Underhill 2013). The demands of food production in the country increased by the economic policy and urbanization, hence, the large plantations are expanded in rural areas, where 11 million of the population lives (World Bank 2015). Rice fields in rural areas have increased following high demand from outside but the trend of Jasmine rice planting is extended over local rice following orders from the global market (World Bank 2015). In general, rice farmers separate a part of their yields for household consumption but they still have high expenses for other kinds of food that they do not produce to get availability in living (World Food Programme 2010).

In 2018, the group of smallholder farmers who were deprived of their farmlands by the concession to the big sugar company, decided to sue the company since they were forced to leave their own land, while the company insisted on its right to the land following the concession given to them from the Cambodian government (Reuters 2018). The sugar company is a subsidiary to sell its products to big food companies, for instance, Nestle and Coca-Cola (Chai Khob News 2018), thus the conflict in this case was caused from the global demands via transnational food corporations are relevant at national level, regional level and global level. Nestle owns more than 2,000 brands and products in countries around the world (Nestle 2018) and it is the top processed food producer in the world (Baker 2018). Because transnational food corporations have become the hegemon in control of food regimes in this era of neoliberal regulations from international trade organizations. Big food companies get the advantages to access resources and markets as much as possible via subsidiaries in each area that attempts to get the quota from big food companies to guarantee distribution channels. Local companies need to compete with each other, especially, pricing to get the contract from those big food companies. In price competition, the local companies have to reduce production cost, which directly affects local farmers.

### **Discussion: Food and livelihood insecurities**

ASEAN countries produce food and agri-food products for the world rather than for domestic consumption. Moreover, transnational food companies are the key players in controlling the food supply chain, although, the patterns are different in each country. To compare primary producers between Thailand and Cambodia, local farmers in Cambodia are in a transition to the market economy. Many indigenous farmers in rural areas still produce food for their household consumption but the land concession by government policy deprived land rights from those locals. As powerless people, many of them have to transform themselves to be farm workers in large plantations that are owned by foreign investors instead, thus, some have attempted to fight back by suing the transnational company that grabbed their land. On the other hand, increasing consumption demands in urban areas, like Phnom Penh, bring about farming pattern changes to serve the market with the government policy to promote food product export. Therefore, smallholder farmers nearby are embedded into the market economy and the global food system to produce for export. However, the export is made by agri-business manufacturers instead of the primary producer, a smallholder farmer.

While Thai farmers have been embedded into the market economy for decades. However, the pattern of farming in Thailand is not in the investment of large plantations as in Cambodia because of the conditions of land ownership are different. Instead of investment on farmland using their own capitals, food companies in Thailand use the contract farming pattern to collect food supplies from smallholder farmers. Even though, Thai farmers are not able to negotiate the price with food companies as unequal power, they attempted to find alternative ways of releasing their products since they have land rights on to their own land. The contract farming becomes a normal pattern in food production

that depends on the market economy by neoliberalism. Farmers have to be entrepreneurs to invest in all production costs by themselves for their products to be sold in the market. Unfortunately, the market is not free as it should be since it is controlled by transnational food companies that have capacities to find both markets and supplies from all over the world in the name of free trade agreements. In Thailand, local farmers are not exploited directly from the hegemon of food regimes; transnational food companies but they are in the chain of exploitation.

Domestic food manufacturers in Thailand that are not able to compete with big Thai food companies and outsiders, have to depend on those transnational companies to gain access into wider markets. Therefore, transnational food companies adapted the subcontracting model to pull resources from Thailand instead of large investments in food production as occurred in Cambodia. Also, Thailand's agricultural sectors are embedded in market economy, they are prompt to produce for the global market. Even though, food companies in Thailand have capacities to collect food supplies all the time by contract farming but in international trade, it is difficult to access the market by themselves as the regulations and processes are able to increase logistic costs that undermine competitiveness of small companies to transnational corporations.

Because of more capitals, more resources and more information technologies, transnational food companies take advantage of free market system to access consumers everywhere. Some of them become big food companies that control the global food system as in the form of food regimes. The food regime in the 21st century is controlled by the corporations, not the state like in the past. The benefits that corporations gained are for the owners, not for people of a hegemon country like in the past. Hence, the growth of transnational companies does not bring the wealth of nations and people's wellbeing. The companies attempt to do as much as they can to take the highest profits, but it becomes a threat to other parts in the food system, particularly, the primary producer, local farmers who are a powerless actor at the bottom of the food supply chain.

Local farmers in ASEAN countries thus, are at risk of livelihood insecurity. Because of weak governance and economy caused many ASEAN countries, particularly, Thailand and Cambodia have to conform the international agreements that were made by powerful actors who control the world. Free market mechanism by neoliberalism becomes the obligation to follow. The state allows foreign investors to take resources from the country. Forests and farmlands have been grabbed away from local people. Being landless people, they are not able to produce food for household consumption anymore. Their livelihoods are gone but transnational food companies gain benefits from low cost investments on land and labour forces. Although, local farmers in Thailand are already a part of the market economy, they are deprived the power of bargaining by a subcontracting trade model. Contract-farming seems to assure local farmers in having certain buyers. However, they are not able to set the price on their own, since they have to sell at company controlled prices. Even they are not satisfied with the price because the supplies are released in large amounts according to the advanced order in the contract, they have no choice. While the food companies are able to select products and set the price from many smallholder farmers who plant similar

supplies following the government policy that prefer the export rate from food industries to gain higher value.

As local farmers invest in their own farms, when the income from selling produce is lower than production costs, they are in debt. Their livelihoods are insecure as they have to find other ways to pay the debt that has become a huge burden. The low financial status among local farmers directly affects to the conditions of food security. According to FAO (2011) approach on food security, local farmers in Thailand do not face a problem on food availability because they can access food through local markets but are impacted by the way to access food nutrition and safety. Since local farmers do not plant their own food anymore combined with low income from selling prices that are sometimes, lower than the cost of production, they have to depend on local markets where the food price affects their decision to buy cheap food with low nutrition and may be unsafe because of pesticides and herbicides in the intensive farming. Moreover, their income serves not only an individual farmer, but also a whole family, thus, farmer families are at risk of not having enough food when they have more expenses such as child education and debts.

However, local farmers in Cambodia seem to face a worse situation as they have to struggle on land deprivation and livelihood adaptation. Landless farmers become labour workers both in the large plantations of foreign capitalists and in the city. Consequently, the large migration from rural to cities goes beyond the capital city of Cambodia. As they have to work to earn wages for living, they go to the places where they can get higher income. In reality, the transformation of local farmers without any other skills brings them into low-skilled work that gives them only low rates of wages. The capability to access food that they used to have by planting their own food is now impossible; hence, they probably do not get any food, if they do not get paid.

According to the circumstances of insecurity that local farmers in both Thailand and Cambodia faced, human security is obviously violated in economic, food, and health dimensions (Oscar, A. G. & Des Gasper 2013). Unequal power to food access limited the conditions of 'freedom from want' among local farmers, especially, in food production which not only involves a dimension of food, but also brings impacts to other dimensions. A global food system created the social fabric to link people from primary producers, industrial processors, and distributors to consumers. Local farmers are the primary producers who have no freedom to choose in the food system, they have to follow the direction that the hegemon has built. The farmers are not able to produce their own food but buying from the market where control is by the hegemon of the food regime instead. As the powerless people, local farmers are pushed to the condition of insecurity by the disappearing rights to food because they depend on the market where big food companies control both price and demands. High price of food in the market affected the economic dimension of local farmers that have to spend a lot on food. The way to manage their expenses is by cheap food consumption thus affected the health dimension in human security because of malnutrition and unsafe food consumption as reported from World Food Program (2010) mentioned the situation of food shortage among Cambodia's population.

## **Conclusion**

Local farmers in Thailand and Cambodia face the conditions of food insecurity by forces of food supply chains that attempt to take advantage as much as possible by the hegemon who control the food regime. Unequal power accumulation between the primary producer and the capitalist in the global food system causes the local farmer, a primary producer to become a powerless actor to conform to the system that exploited their livelihoods into the conditions of insecurity. Livelihood adaptations are forced upon local farmers in conformation of the hegemon, but the aftermath causes food insecurity as decision are limited and controlled. Farmer living has to depend on unfair wages and unfair selling prices because food companies attempt to reduce costs of production as much as possible to compete in the global market. Therefore, local farmers who gain low income have no choice in food consumption in line with an affordable price. Food availability and food access are related to the capacity of their expense, which is unsustainable because financial planning is not possible to manage under livelihood insecurity. Moreover, food nutrition and safety are less of a consideration because of limited opportunities in quality food selection as the quantity of food is a priority due to the scarcity of capitals.

Transformation of food production also affects conditions of food security in ASEAN countries, particularly, the local farmer as a primary producer. As the food regime is operated by big food companies that control the global food system in accumulation of resources and markets. Although, local farmers are food producers, they are in conditions of food insecurity instead. The global food system embedded them into market economy in changing their livelihoods that used to have food sovereignty to produce food on their own, and to produce for the market. Therefore, local farmers lost their self-determination on food to the market, which are controlled by big food companies. The livelihoods of primary producers thus are undermined in the food regime that affected the capability of having food security following disrupted livelihoods.

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