

## **A Green International?**

### **Food Markets and Transnational Politics (c. 1850–1914)**

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The period between the middle of the nineteenth-century and World War I is often characterised as the ‘first globalization’ in modern history.<sup>1</sup> International investments and trade soared, and transatlantic migrations peaked. As the slave trade declined, enormous waves of indentured labour left Asia in search of work in North and South America and in the European colonies in Oceania, Africa, Asia and the Caribbean. Cultural exchanges also intensified, as new technologies of transport and communication - railways and the telegraph - were diffused. The shift from sailboats to steamers along with the construction of the Panama and Suez canals dramatically shortened oceanic shipping routes. Transport costs of international trade and migration fell precipitously and the volume of trade rose. The world’s shipping tonnage increased from roughly 4 million tons in 1800 to 47 million tons in 1913. Global trade expanded considerably faster than output: Between 1820 and 1913, the production per capita grew at an average rate of 7.3 per cent, while the volume of foreign trade increased by 33 percent.<sup>2</sup> The creation of transoceanic telegraphy linked the financial markets in London, Paris and New York. Political and economic elites with access to these networks were informed more swiftly about remote events than ever before. By the turn of the century, there was barely a place on the globe where prices were not influenced by foreign trade, where railways and infrastructures were not financed by foreign investments, where technology and manufacturing skills were not imported from abroad, and where labour markets were not influenced by long-distance migration flows.<sup>3</sup>

Food markets played a prominent role in nineteenth-century globalization. Even though coffee, sugar, tea and other commodities had been part of international trade networks for much longer, it was only by the middle of the nineteenth-century that staple foods for mass consumption, such as wheat, rice or wine were shipped from one continent to another in large quantities and at competitive prices. After the invention of mechanical refrigeration (around 1880) the same was true for perishable goods like meat, fish, and fresh produce.<sup>4</sup>

At the same time the global trade system was hotly contested in agriculture. Especially in continental Europe, nationalist movements began to organise farmers. By the late nineteenth-century, the United States and most European countries had moved back to protectionism. This is generally viewed as a first sign of a ‘globalization backlash’, leading to the collapse of the international political order and the economic disintegration in the era of the World Wars.<sup>5</sup>

This thesis is based on the idea of an antagonistic or dialectical relation between global economic trends on the one hand, and national political orders, on the other. Both historians and political scientists have suggested that the nation building of the nineteenth-century was in many ways a reaction to global changes.<sup>6</sup> In this view, the emergence of the welfare state, the redefinition of national borders and citizenship and the corporatist organization of economic interests were closely linked to the legacies and challenges of a globalizing world. New territorially bounded systems of social and economic relations emerged in a period when markets stretched well beyond national boundaries.<sup>7</sup>

This chapter offers an alternative narrative. It shows how new forms of ‘global governance’ emerged in the food sector in the late nineteenth-century beyond national arrangements and institutions. These embryonic forms of transnational governance were not promoted by states but by producers trying to cope with the effects of a global market. Producers became aware that they shared common interests and that they could best solve their problems through cooperation rather than through unilateral efforts by individual

countries. The internationalist spirit that emerged in all places during the late nineteenth-century was not limited to civil society and humanitarian movements, but also affected interest groups.

The first part of this chapter analyses the development of global food chains and their repercussions on European agriculture between 1850 and 1914. The second part deals with the role of cross-border networks and institutions such as the *International Institute of Agriculture* in Rome, founded in 1905. While these institutions were initially created to defend European producers against imports from overseas, a more global vision of food markets and governance gained ground in the years before World War I. Internationalism was not, as Akira Iriye has argued, limited to social movements and non-profit bodies “engaged in activities that were sometimes at odds with the interests of global capitalism”.<sup>8</sup> Capitalism itself became a powerful force of transnational cooperation, using often the same political strategy and moral rhetoric as civic initiatives and movements in this field.

### **European Food Markets and the ‘First Globalization’, (c. 1850-1914)**

In the *The Economic Consequences of the Peace*, John Maynard Keynes in 1919 described the deep impact of World War I on the global economic system:

What an extraordinary episode in the economic progress of man that age was which came to an end in August 1914! ... The inhabitant of London could order by telephone, sipping his morning tea in bed, the various products of the whole earth ... he could at the same moment and by the same means adventure his wealth in the natural resources and new enterprises of any quarter in the world ... or he could decide to couple the security of his fortunes with the good faith of the townspeople of any substantial municipality in any continent that fancy or information might recommend. ... But, most important of all, he regarded this state of affairs as normal, certain, and permanent, except in the

direction of further improvement, and any deviation from it as aberrant, scandalous, and avoidable.<sup>9</sup>

This picture of a peaceful and prosperous system of economic exchange drawn by Keynes is obviously biased by his British perspective. Global market integration had different outcomes and effects in different parts of the world, depending on market access, factor endowment or geography. The notion of a united ‘world economy’ that Marx and Engels had envisioned already in the *Communist Manifesto* of 1848 was deeply influenced by the experiences of the Western World.<sup>10</sup> Access to technology, infrastructures and communication networks was often limited to merchants in North America and Europe. The massive expansion of international trade, which appears from the overall statistical data, was only partly due to overseas exchange. It was the industrialised countries which mainly traded with each other. The regional distribution of commercial exchange reveals a clear European dominance during the nineteenth and early twentieth-century. World trade consisted primarily of intra-European exchange of goods and of European trade with overseas countries of European settlement. Around 1900, the combined shares of Africa, Asia and South America did not exceed 16 per cent of world exports.<sup>11</sup>

Tab. 1: Value of Less Developed Countries’ Exports of selected products (millions of dollars)

Commodity	1860	1880	1900	1913
Cocoa	2.1	2.9	17.0	84
Coffee	53.7	114.5	153.6	336
Cotton	35.8	96.9	107.7	300
Jute	1.5	22.0	26.2	105
Oilseeds	7.7	29.5	42.6	220
Rice	20.1	55.3	88.5	242
Rubber	2.0	8.5	73.1	210
Sugar	75.1	99.8	85.0	132
Tea	26.4	65.2	67.4	133

Source: Hansen, *Trade*, p. 36.

However, a closer look at the composition of trade shows that this picture has to be revised partly. While markets for industrial commodities, services and capital were almost exclusively concentrated on the western world, this was not the case for food and raw materials. Between 1870 and 1913, output of agriculture grew at a high rate all over the world, but this growth was particularly strong in South America and the western settlements of Europe (see Table. 3). Agricultural products such as coffee, tea, cotton, sugar especially as well as staple foods such as rice, wheat and meat became integrated into a truly global trade system that involved also the southern hemisphere (see Table 1). New developing nations such as Argentina, Australia, and Brazil experienced an export boom and fully participated in the nineteenth-century expansion of world trade. Between 1840 and 1900, per capita exports in South America increased from \$2 (at constant prices) to \$15, while the respective increase for Oceania was from \$2.50 to \$46.35.<sup>12</sup> As a consequence, the share of exports in national product of South America surged to 18 per cent in 1900 and forged past the ratios in Britain (13.0), the United States (6.7) and Germany at that time.<sup>13</sup>

An increasing part of food exports from Asia, Africa and South America went to Europe and North America.<sup>14</sup> Table 2 shows the geographic distribution of exports from these areas between 1840 and 1900. Although the underlying data is fairly rough, it illustrates the rise of exports to the United Kingdom until 1860, and the subsequent decline of the British share that accelerated at the end of the century. The data further points to a decline in the export share of most other regions with the prominent exception of North America, followed by an increase that is most pronounced in the case of Western Europe. Even though these aggregated statistics have to be treated with caution, they reveal a remarkable trend. Not the industrialised and free trading nation Britain, but continental Europe and North America with an expanding food sector and a long tradition of agricultural protectionism were increasingly absorbing food imports from overseas.

Table 2. Approximate Geographic Distribution of Exports of Asia, Africa, and South America 1840-1900 (percentage)

Region	1840	1860	1880	1900
United Kingdom	44	49	40	24
Other Western Europe	22	18	22	31
North America	7	8	12	15
Asia	24	20	18	21
Other	4	5	8	9

Source: Hansen, *Trade*, p. 55

Table 3: Rates of Change in Gross Output of Agriculture 1870-1938

	1870-1913	1913-1938
Europe	1.34	0.76
North Western Europe	1.02	1.50
Southern Europe	0.81	1.19
Eastern Europe	2.13	0.36
Asia	1.11	0.58
South America	4.43	3.05
Western Settlement	2.20	0.74
World	1.56	0.67

Notes: North Western Europe: UK, France, Sweden, Denmark, Belgium, the Netherlands, Germany, Finland, Switzerland. Southern Europe: Italy, Greece, Spain, Portugal. Eastern Europe: Austria-Hungary and Russia. Asia: Japan, India, Indonesia. Western Settlement: Canada, Australia, USA. South America: Argentina, Uruguay, Chile.

Source: G. Federico, *Feeding the World. An Economic History of Agriculture, 1800-2000* (Princeton and Oxford, 2005), p. 18

According to modern trade theory, globalization implies more than cross-border trade. It means, first of all, the emergence of globally integrated markets of commodities, capital and labour. Early modern trade stretched across continents, but was for the most part limited to luxury and non-competing goods. ‘Colonial goods’ such as tea, coffee, sugar, spices and tobacco were traded because they required different climates for their production. Furthermore, intercontinental trade remained largely monopolised or at least controlled by

mercantilist regulations, and huge price gaps characterised distant markets even in the face of improving transport technologies. Even within Europe, the grain trade remained highly segmented until the end of the eighteenth-century.<sup>15</sup> Market integration, measured in terms of factor and commodity price convergence, was by and large a phenomenon that developed after 1820, mainly driven by the transport and communication revolution that minimised the ‘natural protection of space’ and created stable networks of global trade. Between 1850 and 1913, world trade in agricultural products grew at a faster pace than ever before, a yearly average rate of 3.44 per cent.<sup>16</sup>

Econometric studies of various commodity markets show that price convergence is particularly discernible for primary commodities where transportation costs and technology played a decisive role. According to Harley, the freight rates between Britain and North America dropped by roughly 70 per cent between 1840 and 1910 in real terms.<sup>17</sup> From 1870 to 1912, the price gap between Chicago and Liverpool fell from 60 per cent to 14 per cent for wheat, from 93 to 18 per cent for meat and animal fats, and from 14 to 1 per cent for cotton textiles. At the same time, the price difference for vegetables declined from 55 to 17 per cent between Sweden and Britain.<sup>18</sup> Convergence was not limited to the Atlantic World. Price cleavages between Europe and Asia were narrowed by the opening of the Suez Canal in 1869, by the shift from sail to steam, and by other productivity improvements on long-distance sea-lanes. The cotton price gap between London and Bombay declined from 57 per cent in 1873 to 20 per cent in 1913, while the gap for rice between London and Rangoon fell from 93 to 26 per cent during the same period. This had a deep impact on the creation of an Asian market for rice and wheat, and furthermore, for the formation of a global market for cereals.<sup>19</sup>

A similar development can be observed for other basic foodstuffs, including perishable goods such as meat, butter, cheese and other fresh produce, where long distance trade was accompanied by a fundamental adjustment of traditional methods of distribution.<sup>20</sup> Changes in regulation and technology replaced the age-old system by which live animals essentially

walked to the retail butcher shop with a new system where slaughter was centralised. To ship freshly slaughtered beef thousands of miles from Argentina or Australasia to Europe, artificially cooled cargo space was fundamental. The transportation of frozen lamb and mutton from Australia, New Zealand and Argentina were reorganised along the same distributional paths. At the same time, transport innovations revolutionised the national distribution systems and the stock keeping in general. At the end of the nineteenth century, refrigerated railroad wagons moved the meat from and to ports where it was stored in specialised warehouses.<sup>21</sup>

At the same time, major changes took place in industrial organization. With new systems of distribution came larger firms and vertical integration in the food sector. The emergence of a modern agro-industrial complex was thus closely related to globalization, and this would have far-reaching consequences for market organization, economic interests and political action in this sector.<sup>22</sup> The division between agriculture, trade and industry that characterised earlier periods lost in importance, while new forms of integrated firms appeared, especially in the highly commercialised sector of international food trade.

All this led to a more differentiated picture of trade policy and economic interest organization. Traditionally, the role of agriculture has been described in terms of economic backwardness and political conservatism. According to this view, for example, the traditional Prussian Junkers continued to dominate politics and society in Germany until World War I.<sup>23</sup> In France, Italy, and the Habsburg monarchy, landed elites and rural middle classes began to organise themselves in nationalist movements in order to gain protection against the consequences of industrialization and economic change.<sup>24</sup>

It is true that after a free-trade interlude of three decades, most European states raised their trade barriers, as agricultural prices declined and producers felt the blast of overseas competition. Germany's reconversion to protection began with the tariff of 1879, which restored duties on wheat and other food products. In the following years, similar duties were



adopted by France, Austria-Hungary, Sweden, Spain and Portugal, and, finally, by the United States, which extended protectionism to agriculture with the McKinley Tariff of 1890.<sup>25</sup> Trade was also hampered by new forms of non-tariff barriers such as veterinary meat import restrictions in Germany or the introduction of the ‘Appellation d’origine’ in France to protect the quality of wine.<sup>26</sup> Only few European nations abstained from the temptations of protecting their food sector. This was the case for small countries with a shortage of natural resources and a highly commercialised agriculture such as Denmark, Belgium and the Netherlands, as well as in Great Britain, where Free Trade was deeply rooted in political culture.<sup>27</sup>

Some recent studies have linked different outcomes of trade policy to the distributional effects of globalization. As trade produces losers as well as winners, political scientists like Ronald Rogowski have argued that choices for or against trade protectionism depended largely on the respective factor endowment of a country.<sup>28</sup>

From a historical perspective, however, the standard models of public choice and collective action seem far too reductive. Even though battles over trade policy often evolved along class lines, and coalitions were frequently fuelled by distributional conflicts, theories of political economy rarely match with historical reality. In the case of agriculture, political coalitions and social formations were much more complex and fragmented, and they hardly mirrored clear-cut economic interests.<sup>29</sup> For example, recent accounts on the role of the Prussian Junkers have shown that traditional extensive wheat production went often hand in hand with modern commercialised forms of agriculture.<sup>30</sup> German, and continental agriculture as a whole, experienced enormous productivity gains during in the decades before World War I. This was assisted by global developments: prices for inputs such as fodder, machines and chemical fertilizers declined,<sup>31</sup> while the lengthening of food chains and the increasing demand in Europe and overseas created new markets for German products. As a consequence, many farmers favoured a moderate tariff for some items, while at the same time trying to gain access to global markets.

Even though state intervention in favour of agriculture became more pronounced after 1880, its impact should not be overstated. Tariffs continued to rise, but their real effect faded as international prices declined faster and structure of imports shifted to non-protected commodities.<sup>32</sup> Moreover, falling transport costs over compensated the effects of new tariffs. European duties affected mainly wheat, which accounted for roughly one-sixth of gross output before 1914. As a result, the total subsidy from protection amounted to some 5-9 per cent of production. It must be stressed that protection was not even particularly manifest in continental Europe.<sup>33</sup> For example, in 1909/13, the general tariff quota amounted to 8.6 per cent in Germany and 8.7 per cent in France, while the United States and Russia peaked with quotas of respectively 21.4 and 29.5 per cent.<sup>34</sup>

Moreover, there is no empirical evidence for a significant correlation between the level of protection of a country and the development of foreign trade. For instance, countries with relatively high duties like Germany or the United States experienced a disproportionate growth of foreign trade, while some low-tariff countries such as the Netherlands or Belgium faced severe problems at the same time. More generally, exports grew faster in continental Europe after the abandonment of free trade than in Great Britain, which abstained from tariffs.<sup>35</sup>

Protectionist movements had, as Atack and others have argued, mainly political reasons, pushed through by “few vocal losers [who] can win the support of a majority if the majority perceives itself just one step away from joining the losers”.<sup>36</sup> In other words: Since globalization had far-reaching distributional effects, societies had to compensate those social groups and economic sectors which suffered most from external competition. As Knut Borchardt has argued, moderate tariffs were thus not an anti-globalizing force, but, on the contrary, an essential precondition for integrating modern economies into world markets.<sup>37</sup>

## Transnational Cooperation

These findings are important as they change some standard interpretations regarding the development of the North American food sector. The following section will pay attention to the transnational perceptions, strategies and policies of agrarian producers. Historical research in this area has mainly focused on the role of national associations and interest groups. In Germany, the *Bund der Landwirte*, founded in 1892, was able to integrate different agricultural groups and became the most important mass organization of the *Kaiserreich*. Beyond giving technical assistance, the *Bund* was able to mobilise rural voters on a large scale and to control a considerable part of the conservative electorate.<sup>38</sup> Similar institutions and movements emerged in France, Italy and Austria-Hungary.<sup>39</sup> According to conventional wisdom, these movements were not only committed to economic protection but also formed a social breeding ground for an aggressive ‘integral’ nationalism in the run up to World War I. In the case of Germany, social historians have characterised agrarian nationalism as a precondition for the emergence of fascism in the Weimar Republic.<sup>40</sup>

However, this historiography has overlooked that agrarian organizations were also involved in international cooperation and exchange, especially in Europe, but also beyond. The second half of the ‘long nineteenth-century’ was a period where new forms of internationalism and intensified cross-border transfers of political ideas, institutions and cultural practices appeared. Civic groups and social movements emerged in various fields, striving to create international identities and to reform society and politics through transnational cooperation. International congresses, world exhibitions and informal networks made knowledge about other countries more easily available and contributed to the formation of common languages and the spread of tastes and fashions. In addition, international agencies were created to regulate common problems and concerns, including postal and navigation systems, weights and measures, money, passports as well as telegraphic communication.<sup>41</sup>

In the field of agriculture, such forms of transnational cooperation and exchange were less apparent at first sight, but nevertheless played an important role. On one side, the emergence of well-organised interest groups and associations in different European countries was a closely related phenomenon. For example, the foundation of the German *Bund der Landwirte* was influenced by the model of the French *Société des agriculteurs*, while Italian landowners were impressed by German rural associations and their highly developed system of cooperative banks and rural consortia.<sup>42</sup> Knowledge about efficient economic institutions and modern forms of interest organization circulated among European farmers and their representatives, triggering a process of knowledge transfer.

On the other side, a series of international meetings took place. More stable types of cooperation developed. In 1878, the first International Congress of Agriculture took place in Paris. The following years saw international congresses and exhibitions which served as forums for the exchange of ideas, networking and the popularization of knowledge.<sup>43</sup> Initially most participants came from continental Europe, bringing together representatives of national associations, politicians, and businessmen from the food industry as well as experts from universities, statistical offices and commercial organizations. While at the first congresses in Paris (1878) and Budapest (1885) activities barely reached beyond the exchange of information, debates had shifted to more general political and economic concerns by 1889. There was growing awareness that European farmers shared certain interests and goals beyond national boundaries and that these could best be dealt with by pooling their resources and promoting transnational cooperation, instead of preoccupying themselves with their respective national interests.

This transnational awareness was not driven by internal European problems and conflicts alone, but also responded to global challenges. As Jules Méline, the French minister of agriculture emphasised at the opening speech of the International Congress in Paris 1889, the consequences of market integration were “disastrous for the old nations, crushed by the

burdens of the past, which, since ages, squeeze the bowels of the soil and can render it fertile only by dint of work and sacrifices.”<sup>44</sup> Méline, Minister of Agriculture and one of the most fervent supporters of protectionist tariffs, saw European cooperation as the only way to resolve the crisis of the food sector. Similarly, the President of the Republican *Société nationale d’encouragement à l’agriculture* argued that the difficulties of agriculture had to be treated “at the European scale ... instead of dealing with these questions at purely local or national level”.<sup>45</sup>

Although the word ‘globalization’ was unknown at the time, the phenomenon itself was at the heart of discussion among European farmers. It was more than a coincidence that the first international congress was organised in conjunction with the world fair in Paris 1878, where commercial representatives from all over the world convened. The main question was the impact of international flows of food and other commodities on European societies. Would trade liberalisation lead to falling wages and profits, and what countermeasures should be taken against the threat of foreign competition? Closing borders by tariffs and other import restrictions was only one response discussed by representatives of European agriculture. The debate about global trade revolved around a set of different topics and problems such as better credit, new forms of market organization or the role of diverging monetary systems (bimetallism in France, Gold standard in Germany) and their influence on food trade. Often, these debates were permeated by a language of anti-capitalism and conservative morality. For example, German farmers promoted the idea of bimetallism as a bulwark against the ‘great powers of international capital’, while French and Italian representatives endorsed ‘sane’ and locally based cooperative banks with the same argument.<sup>46</sup>

A major issue was the regulation of the stock market for agricultural commodities. In 1896, the German Reichstag had passed a bill that entailed far-reaching controls for the stock market, including the public registration of brokers and a prohibition of future trading for grains and flour. German landowners, who had been engaged in the battle against ‘evil

speculators' for many years, used the international congresses to obtain similar legislation in other countries. Farmers in Europe, suggested the German representative Gustav Ruhland in Budapest 1896 should “walk shoulder to shoulder in the battle against the international of gold and the predatory practice of stock markets”.<sup>47</sup> Ernst Lauer, secretary of the Swiss farmers association, used the congress in Lausanne as a platform for his agitation against future trading.

Only if the supremacy of the stock market and its harmful influence is broken, producers and consumers will be able to decide on prices, and the solid and honourable merchant replace the speculator ... For this purpose, we shall call from farm to farm, from village to village, from country to country and from continent to continent: Farmers of all nations, unite.<sup>48</sup>

However, not all congress members shared the aggressive anti-capitalist stance expressed by Lauer and Ruhland. The French representatives, for instance, were pleading for a more differentiated treatment of stock markets, arguing that only excessive forms of market distortion should be suppressed. Combining national regulations with international coordination, speculation could be efficiently controlled without abandoning a free market system.<sup>49</sup> Claims for more regulation against the risk and volatility of international markets went hand in hand with a rhetoric of internationalism that, surprisingly, was not dissimilar from other civic groups like workers or the women's international.

Until the turn of the century, the ‘green international’ was mainly a European enterprise. All congresses took place on the European Continent, and representatives from other continents – including Great Britain – were rarely invited. This European perspective also shaped the campaign for a common trade and tariff area, inspired by the model of the German Zollverein of 1834. Tariff policy should reduce inner European trade barriers, with an external wall of protection against the rest of the world. This meant that trade agreements, including the most-favoured-nation clause, were to be limited to European states.<sup>50</sup>

Discrimination against extra-European producers also inspired plans to establish a European grain board. In 1903, agrarian associations of Germany, France, Portugal, Austria-Hungary, Spain, Switzerland and Serbia set up an International Commission to coordinate wheat and flour trade through self-governed marketing boards, conceived mainly as a response to contain the ‘invasion’ of cheap grain from overseas. Even though the Commission had only limited success, as most farmers refused to sign agreements with the newly created boards, the concept of international cooperative marketing influenced debates on the reorganization of European markets during the coming.

In other sectors, however, European initiatives appeared less defensive. In 1902, the International Sugar Convention was established in Brussels, aiming to abolish both export subsidies and import restrictions. Especially in Germany, France and Austria-Hungary, a modern agro-industry had emerged in this sector, integrating sugar beet cultivation, refinery and commercial distribution within a few firms.<sup>51</sup> In the last decades of the nineteenth-century, European sugar production had expanded considerably, and producers preferred to maintain their hold on international markets rather than insisting on subsidies from their national governments.

Farmers’ economic interests became more differentiated, as did attitudes towards international trade. Even groups who aimed at protectionism were increasingly intrigued by global developments. Tariffs did raise domestic prices beyond the world level, but – as the previous sections showed – did not separate markets completely from international developments. Price fluctuations abroad continued to influence domestic markets, and thus, the profit margins of producers.

A major problem consisted in the lack of information on global markets. From the late nineteenth-century, a vast literature emerged. National statistical offices began to produce data on worldwide crop production, price flows and acreages. Moreover the International Commission of Agriculture, founded in 1889 in Paris, fostered the transfer of international

knowledge exchange.<sup>52</sup> However, in most cases, the data of these reports and statistics were retrospective and did not supply reliable information on current trends.

It was against this background that plans for more sophisticated reporting emerged among North American and European farmers at the turn of the nineteenth to the twentieth centuries. In 1904, the American farmer and entrepreneur David Lubin proposed the creation of an International Chamber of Agriculture in order to improve the collection and circulation of economic data. Lubin, who had made a fortune with several department stores and a mail order firm in California,<sup>53</sup> regarded market information as the most important prerequisite to stabilise agrarian incomes in a globalising economy. Without any knowledge on price movements and production data, farmers were subject to the uncertainty and risks of international markets.

So long as there is no general knowledge of the world-factors, and so long as there is no shaping of these factors by the farmers, then so long must his production and his distribution be a pure matter of chance and guess-work, and so long as this is the case the industry of farming must give place to the speculator, and with power to employ the group of facts which the speculator is able to master but which the farmer is not. Once the International Chamber of Agriculture master these facts and the speculative phase will be largely replaced by certainty, and certainty is much more likely to bring about equity in exchange than uncertainty.<sup>54</sup>

Complaints about the inferior position of agrarian producers relative to powerful industrial trusts and financial speculators were not a novel phenomenon, but they were now framed within a wider context of transnational action and coordination. As ‘the principal factors which govern the economic production and distribution of agriculture are international’, Lubin argued, the political interests of farmers could not be effectively secured within



national organisations.<sup>55</sup> At the same time, Lubin – who was deeply rooted in the American antitrust movement – envisioned a new coalition between ‘farmers of the world and the consumers of the world’. Both sides would gain from more stable prices and more transparency in global markets.<sup>56</sup>

This is not the place to analyse in detail the history and structure of the International Institute of Agriculture (IIA), founded in Rome in 1905 with initially 41 member nations.<sup>57</sup> Yet it is worth mentioning that the IIA was an official intergovernmental institution with formal statutes, offices, committees and a general assembly, which could pass resolutions and present them to the adhering states. After a period of internal conflicts and disagreements among the member states, the Institute started work in 1908. While American leaders had shown little interest in endowing an international agency with headquarters in Europe, the Italian King, and subsequently most European governments supported the IIA.<sup>58</sup>

Unlike former institutions in this field, the IIA encompassed numerous nations from the non Western World, including Japan, Turkey, Russia, Egypt, Australia, Persia and almost all South American states.<sup>59</sup> Even though Europeans were still in a majority, a more global perspective progressively substituted the once dominant European self-understanding of the ‘Green International’. This was also one reason why IIA bodies were barely involved in tariffs debates which necessarily would have threatened the internationalist spirit if the IIA. Rather, Lubin and other members stressed the ‘common interests of farmers’ all over the world against powerful industry, banks and trade organisations. Even though the IIA abstained from official statements in this matter, there was a broad consensus about the fundamental importance of freer trade in the ranks of the IIA.

During the early years, the IIA was mainly an international clearinghouse for agricultural information. Member states had to report to the IIA current statistical data on acreages, expected (and realised) harvest yields and prices. They were then compiled, published and distributed through the IIA’s Statistical Bulletin. The IIA offices integrated all

data within a 'single numerical statement' for each commodity in order to provide producers an overall picture of world market developments.<sup>60</sup> If all producers and consumers had full knowledge of the 'natural' price of a specific merchandise, speculations would become impossible. This would not only lead to a fair 'bargaining of producers and producers' but also to more stable prices.<sup>61</sup> Even though the reliability of this 'single numerical statement' was controversial, it became an important source of information in the years before the war, and, in addition, served as the basis for more sophisticated statistical surveys during the inter-war period.<sup>62</sup>

However, the activities of IIA were not limited to information and technical advice alone. According to Lubin, the IIA should serve as an 'International Parliament of Agriculture' in order to give the agrarian sector a voice in a globalising world.<sup>63</sup> Apart from agronomic and technical questions, the IIA promoted the idea of an International Commission to regulate freight rates, the establishment of new forms of distribution through mail order ('Parcel Post Plan') as well as the creation of new credit institutions in agriculture.<sup>64</sup> Much work was dedicated to the establishment of international marketing boards for specific commodities such as tobacco or sugar.<sup>65</sup> All these initiatives were framed by the vision of new global system that would combine free trade with more ethical principles of commerce and social justice. For Lubin, the political agenda of IIA was not merely dedicated to interests of a specific group, but inspired by the principles of 'economic ethics' (he coined the term 'etheconomics'). In this view, market transparency, free access to resources and international regulation of trade was 'not merely an advantage to any one nation, but an advantage to all the nations. The seeming advantage has thus become equity. The former unjust, unethical system has now become just, hence ethical.'<sup>66</sup>

## Conclusion

It could easily be argued that Lubins vision of a world order, where free commerce was embedded in a system of international rule and economic justice, had little to do with reality. The IIA remained a relatively weak institution and had only limited influence on international agreements and trade regulations. The statistical information service worked fairly well until 1914, when governments interrupted the circulation of economic data for reasons of warfare. In the final analysis, economic internationalism had only limited success before World War I. As many other transnational movements and civic organizations, the IIA was not able to realize its ambitious reform agenda in this period.<sup>67</sup>

From a broader historical perspective, however, international cooperation and governance has become a powerful source of economic organization and political action. Until today, no other sector is more regulated by international institutions and agreements than agriculture. The history of the European ‘Common Agricultural Policy’ is an exercise in transnational cooperation and institution building, even though the relation between state and non-state actors is less clear-cut in agriculture than elsewhere. Farmers and other economic actors often refer to the same tools of transnational politics as social movements and humanitarian organizations.

This chapter has shown how the institutional framework for coping with transnational issues has evolved over time. The IIA cooperated closely with the League of Nations during the interwar period and formed the nucleus for more serious forms of global food governance after World War II.<sup>68</sup> More historical research is needed to understand how these traditions and legacies have affected policies and conflicts over food supply and consumer demand, international trade orders and famine relief in the present era of globalization.

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- <sup>1</sup> See, for example, S. Berger, *Notre Première Mondialisation: Leçons d'un échec oublié* (Paris, 2003); Ch. Davies, 'The Rise And Fall Of The First Globalisation', *Economic Affairs* 25 (3) (2005), pp. 55-7, C.K. Harley (ed), *The Integration of the World Economy, 1850-1914* (Aldershot, 1996).
- <sup>2</sup> R. Fremdling, 'European Foreign Trade Policies, Freight Rates and the World Markets of Grain and Coal during the 19<sup>th</sup> Century', *Jahrbuch für Wirtschaftsgeschichte*, 2 (2003), p. 83.
- <sup>3</sup> K.H. O'Rourke and J.G. Williamson, *Globalization and History. The Evolution of a Nineteenth-Century Atlantic Economy* (Cambridge/Mass. and London 1999); K. Borchardt, *Globalisierung in historischer Perspektive* (Munich, 2001).
- <sup>4</sup> R. Perren, *Taste, Trade and Technology. The Development of the International Meat Industry since 1840* (Aldershot, 2006).
- <sup>5</sup> A. Estevadeordal, B. Frantz and A. M. Taylor, 'The Rise and Fall of World Trade, 1870-1939', *Quarterly Journal of Economics*, 118 (2003), pp. 359-407.
- <sup>6</sup> S. Berger, 'Globalization and Politics', *Annual Review of Political Science*, 3 (2000), pp. 43-62; S. Conrad, *Globalisierung und Nation im Deutschen Kaiserreich* (Munich, 2006); J. Osterhammel and N. Peterson, *Globalization: A Short History* (Princeton, 2005).
- <sup>7</sup> Ch.S. Maier, 'Consigning the Twentieth Century to History. Alternative Narratives for the Modern Era', in *American Historical Review*, 105 (2000), pp. 807-31.
- <sup>8</sup> A. Iriye, *Global Community. The Role of International Organizations in the Making of the Contemporary World* (Berkeley, 2002), p. 18. See also the chapters by Wilk and Trentmann in this volume.
- <sup>9</sup> J. M. Keynes, 'The Economic Consequences of the Peace (1919)', in: Keynes, *Collected Writings*, vol. 2 (Cambridge, 1971), pp. 6-7.
- <sup>10</sup> K. Marx and F. Engels, *The Communist Manifesto*, introduction by M. Malia (New York, 1998).

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<sup>11</sup> J.R. Hansen, *Trade in Transition. Exports from the Third World, 1840-1900* (New York, 1980), p. 20.

<sup>12</sup> L.J. Zimmerman, 'The Distribution of World Income 1860-1960', in E. de Vries (ed), *Essays on Unbalanced Growth* (The Hague, 1962), pp. 52-3.

<sup>13</sup> Hansen, *Trade*, p. 23.

<sup>14</sup> See also P. Bairoch and B. Etemad, *Structure par produits des exportations 1830-1937* (Geneva, 1985).

<sup>15</sup> See W. Abel, *Crises agraires en Europe, XIIIe-Xxe siècle* (Paris, 1973), p. 315; D. Jacks, 'Market Integration in the North and Baltic Seas, 1500-1800', London School of Economics, Working Papers in Economic History no. 55/00 (London, 2000); see also K. O'Rourke and J. Williamson, 'When Did Globalization Begin?', *European Review of Economic History*, 6 (2002), pp. 23-50.

<sup>16</sup> W.A. Lewis, 'The Rate of Growth of World Trade 1870-1913', in S. Grassman and E. Lundberg (eds), *The World Economic Order: Past and Prospects* (London, 1981); see also S. Pollard, 'Free Trade and the World Economy', in M.H. Geyer and J. Paulmann (eds), *The Mechanics of Internationalism. Culture, Society, and Politics from the 1840s to the First World War* (Oxford, 2001), pp. 29-30.

<sup>17</sup> K. Harley, 'Ocean Freight Rates and Productivity, 1740-1913: The Primacy of Mechanical Invention Reaffirmed', *Journal of Economic History*, 48 (1988), pp. 851-76; K. Harley, 'North Atlantic Shipping in the Late Nineteenth Century: Freight Rates and the Interrelationship of Cargoes' in L. Fisher and H. Nordvik (eds), *Shipping and Trade, 1750-1950. Essays in International Maritime Economic History* (Pontefract, 1990), pp. 147-72; see with similar results D. North, 'Ocean Freight Rates and Economic Development 1750-1913', *Journal of Economic History*, 18 (1958), pp. 538-55.

<sup>18</sup> Pollard, *Free Trade*, p. 38.

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- <sup>19</sup> See A. J. Latham and L. Neal, 'The International Market in Rice and Wheat, 1868-1914', *Economic History Review*, 36 (1983), pp. 260-80; L. Brandt, 'Chinese Agriculture and the International Economy 1870-1913: A Reassessment', *Explorations in Economic History*, 22 (1985), pp. 168-80; K. Sugihara, 'Patterns of Asia's Integration into the World Economy, 1880-1913' in W. Fischer, R.M. McInnis and J. Schneider (eds), *The Emergence of a World Economy 1500-1914, Part II: 1850-1914* (Stuttgart, 1986), pp. 709-28; O'Rourke and Williamson, 'When Did Globalization Begin?', p. 38.
- <sup>20</sup> Ch. Nonn, 'Fleischvermarktung in Deutschland im 19. und frühen 20. Jahrhundert', *Jahrbuch für Wirtschaftsgeschichte*, 1 (1996), pp. 53-76.
- <sup>21</sup> Perren, *Taste*, pp. 30-87; B. Loheide, 'Beef Around The World. The Emergence of a Global Food Market 1870-1914', *Comparativ* (forthcoming).
- <sup>22</sup> K. Harley, 'The World Food Economy and Pre World War I Argentina', in St. Broadberry and N. Crafts (eds), *Britain in the World Economy: Essays in Honour of Alec Ford* (Cambridge, 1992), pp. 244-68.
- <sup>23</sup> H.-J. Puhle, *Agrarische Interessenpolitik und preußischer Konservatismus im wilhelminischen Reich (1893-1914). Ein Beitrag zur Analyse des Nationalismus in Deutschland am Beispiel des Bundes der Landwirte und der Deutsch-Konservativen Partei* (Hannover, 1967); St. B. Webb, 'Agricultural Protection in Wilhelmine Germany: Forging an Empire with Pork and Rye', *Journal of Economic History*, XLII (1982), pp. 309-26.
- A. Gerschenkron, *Bread and Democracy in Germany* (Berkeley, CA., 1943).
- <sup>24</sup> H.-J. Puhle, *Politische Agrarbewegungen in kapitalistischen Industriegesellschaften. Deutschland, USA und Frankreich im 20. Jahrhundert* (Göttingen, 1975); R. Aldenhoff-Hübinger, 'La politisation des campagnes à travers agrarisme et protectionnisme. À la fin du 19e siècle en Europe (Allemagne, France, Italie)', in J.-L. Mayaud and L. Raphael (eds), *Histoire de l'Europe rurale contemporaine. Du village à l'État* (Paris, 2006), pp. 163-76.

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<sup>25</sup> For an overview see M. Tracy, *Government and Agriculture in Western Europe 1880-1988* (New York, 1989), pp. 20-5.

<sup>26</sup> Webb, 'Agricultural Protection', pp. 317-9; L. Loubère, *The Red and the White: The History of Wine in France and Italy in the 19<sup>th</sup> Century* (Albany, 1978), pp. 104-9; for a general discussion of French protectionisms see H. Lebovics, *The Alliance of Iron and Wheat in the Third French Republic, 1860-1914. Origins of the New Conservatism* (Baton Rouge, 1988).

<sup>27</sup> Tracy, *Government*, p. 23; Denmark, Belgium & Netherlands, however, had some industrial tariffs. For the unique place of Britain, see F. Trentmann, *Free Trade Nation: Commerce, Consumption, and Civil Society in Modern Britain* (Oxford, forthcoming 2007).

<sup>28</sup> R. Rogowski, *Commerce and Coalitions. How Trade Affects Domestic Political Alignments* (Princeton, 1989); see also D. A. Irwin, *Against the Tide: An Intellectual History of Free Trade* (Princeton, 1996); O'Rourke and Williamson, *Globalization and History*, pp. 77-117.

<sup>29</sup> See the excellent study by R. Aldenhoff-Hübinger, *Agrarpolitik und Protektionismus. Deutschland und Frankreich im Vergleich 1879-1914* (Göttingen, 2002). For the analytical problems of economic approaches, see F. Trentmann, 'Political Culture and Political Economy', *Review of International Political Economy*, 5(2) (1998), pp. 217-51.

<sup>30</sup> See H. Winkel, 'Zur Anwendung des technischen Fortschritts in der Landwirtschaft im ausgehenden 19. Jahrhundert', *Zeitschrift für Agrargeschichte und Agrarsoziologie*, 27 (1979), pp. 19-31; P. Wagner, *Bauern, Junker und Beamte. Der Wandel lokaler Herrschaft und Partizipation im Ostelbien des 19. Jahrhunderts* (Göttingen, 2005).

<sup>31</sup> Germany, for example, became the main importer of animal food world-wide; C. Torp, *Die Herausforderung der Globalisierung. Wirtschaft und Politik in Deutschland 1860-1914* (Göttingen, 2005), p. 100.

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<sup>32</sup> See also P. Bairoch, 'Free Trade and European Economic Development', *European Economic Review*, 3 (1972), pp. 273-45; Bairoch, *Economics and World History: Myths and Paradoxes* (Chicago, 1993).

<sup>33</sup> Federico, *Feeding the World*, p. 190.

<sup>34</sup> Bairoch, *Economics and World History*, p. 26; see also Torp, *Herausforderung der Globalisierung*, p. 368.

<sup>35</sup> Bairoch, *Economics and World History*, p. 51.

<sup>36</sup> J. Attack, F. Bateman and W.N. Parker, 'The Farm, the Farmer and the Market', in St. Engerman and R. Gallman (eds), *The Cambridge Economic History of the United States*, vol. 2, (Cambridge, 2000), p. 282.

<sup>37</sup> Borchardt, *Globalisierung*, p. 23.

<sup>38</sup> S. R. Tirell, *German Agrarian Politics after Bismarck's Fall. The Formation of the Farmers' League* (New York, 1951); Puhle, *Agrarische Interessenpolitik*.

<sup>39</sup> M. Malatesta, *I signori della terra. L'organizzazione degli interessi agrari padani (1860-1914)* (Milan, 1989); P. Barral, *Les Agrariens français, de Méline à Pisani* (Paris, 1968).

<sup>40</sup> See H.-J. Puhle, *Von der Agrarkrise zum Präfaschismus. Thesen zum Stellenwert der agrarischen Interessenverbände in der deutschen Politik am Ende des 19. Jahrhunderts* (Wiesbaden, 1972). This interpretation was at the core of the 'Sonderweg' debate; see, for a critical discussion, H. Grebing, *Der 'deutsche Sonderweg' in Europa 1806-1945. Eine Kritik* (Stuttgart, 1986); D. Blackbourn and G. Eley, *The Peculiarities of German History* (New York, 1984).

<sup>41</sup> See Geyer and Paulmann (eds), *The Mechanics of Internationalism*; W. Kaiser, 'Transnational Mobilization and Cultural Representation: Political Transfer in an Age of Proto-Globalization, Democratization and Nationalism 1848-1914', *European Review of History*, 12 (2005), pp. 403-24; Iriye, *Global Community*, pp. 9-36; C.N. Murphy,



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*International Organization and Industrial Change: Global Governance since 1850* (New York, 1994).

<sup>42</sup> Aldenhoff-Hübinger, *Agrarpolitik und Protektionismus*, pp. 87-8.

<sup>43</sup> Between 1878 and 1913, 12 congresses were organised in different European cities: Paris (1878, 1889 and 1900), Budapest (1885 and 1896), Den Haag (1891), Bruxelles (1895), Lausanne (1898), Rome (1903), Vienna (1907), Madrid (1911) and Gent (1913); see M. Rieul Paisant, 'La Commission Internationale d'Agriculture et son rôle dans l'économie européenne', *Annales de la Commission Internationale d'Agriculture*, vol. 5 (Paris, 1936), pp. 69-192.

<sup>44</sup> My translation, *Congrès international d'agriculture tenu à Paris du 4 au 11 juillet 1889* (Paris, 1889), p. 64 ; quoted from Aldenhoff-Hübinger, *Agrarpolitik und Protektionismus*, p. 42.

<sup>45</sup> My translation, *Congrès international d'agriculture*, p. 155; quoted from Aldenhoff-Hübinger, *Agrarpolitik und Protektionismus*, p. 43.

<sup>46</sup> President of the German Bund der Landwirte Berthold v. Ploetz in *Congrès international d'agriculture tenu à Budapest du 17 au 20 septembre 1896. Comptes-rendus* (Budapest, 1897), pp. 396-7.

<sup>47</sup> *Congrès international d'agriculture tenu à Budapest*, p. 208.

<sup>48</sup> *Cinquième Congrès international d'agriculture. Réuni à Lausanne du 12 au 17 septembre 1898* (Lausanne 1898), p. 20; quoted from Aldenhoff-Hübinger, *Agrarpolitik und Protektionismus*, p. 53

<sup>49</sup> See the comments on Laur's speech by the President of the 'Société des agriculteurs', Marquis de Vogüé, *Cinquième Congrès international d'agriculture*, p. 155.

<sup>50</sup> Aldenhoff-Hübinger, *Agrarpolitik und Protektionismus*, pp. 54-69; H.-U. Wehler, *Deutsche Gesellschaftsgeschichte*, vol. 3 (Munich 1995), p. 656.

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<sup>51</sup> See for Germany K.-P. Ellerbrock, *Geschichte der deutschen Nahrungs- und Genussmittel-industrie 1750–1914*, (Stuttgart, 1993), pp. 388-94.

<sup>52</sup> F. Houillier, *L'Organisation internationale de l'agriculture. Les institutions agricoles internationales e l'action internationale en agriculture* (Paris, 1935), pp. 9-14; Rieul Paisant, 'La Commission'.

<sup>53</sup> See O. Rossetti Agresti, *David Lubin. A Study in Practical Idealism* (Boston, 1922).

<sup>54</sup> D. Lubin, The International Chamber of Agriculture, 13<sup>th</sup> March 1905, FAO, David Lubin Archives, vol. 1-I-1.

<sup>55</sup> D. Lubin, The Welfare of the State and the International Chamber of Agriculture, Sacramento 6<sup>th</sup> October 1904, FAO, David Lubin Archives, vol. 1-I-1.

<sup>56</sup> D. Lubin, Speech at the International Statistical Congress in London 1905: 'for under the present system the farmers have no voice at all in determining prices so long as they are determined for them by manipulator and by the exploitor. Under the proposed parliament – the International Institute for Agriculture – it will be the farmers of the world and the consumers of the world who will determine the price between them.' in FAO, David Lubin Archives, vol. 1-I-1.

<sup>57</sup> See on the foundation and structure of the IIA A. Hobson, *The International Institute of Agriculture. A Historical and Critical Analysis of its Organization, Activities, and Policies of Administration* (Berkeley, 1931).

<sup>58</sup> See FAO, David Lubin Archives, vol. 4-I-1, 2 and 4: Letters to the President of the USA, Correspondence with Members of Congress and US Dept of Commerce; 1-VII-13: Correspondence with Italian leaders.

<sup>59</sup> See International Institute of Agriculture in Rome, Convention, 7<sup>th</sup> June 1905, in FAO, David Lubin Archives, vol. 1-I-1. The number of member states rose to 56 in 1914 and 68 in 1939.

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<sup>60</sup> See documents in FAO, David Lubin Archives, vol. 1-VIII-17: Crop reporting.

<sup>61</sup> See, e.g. the report by Prof. Arthur J. Sargent (London School of Economics), The International Institute of Agriculture and the world's price of the staple of agriculture, and the influence governing the same, 10<sup>th</sup> March 1908; John Hubbard, Some observations on the gathering, summarizing and disseminating of information on the staples of agriculture, 11<sup>th</sup> February 1905, in David Lubin Archives, vol. 1-I-1.

<sup>62</sup> During World War I, many nations (including the USA after entering into the war) refused to deliver statistical information on food markets; see Herbert Hoover to Ass. Secretary of State, Alvey A. Adee, 10<sup>th</sup> December 1917, in FAO, David Lubin Archives, vol. 1-VIII-17. For the interwar period see, for example, International Institute for Agriculture, *The First World Agricultural Census (1930). A Methodological Study on the Questions Contained in the Forms Adopted for the Purposes of Census in the Various Countries* (Rome, 1937).

<sup>63</sup> FAO, David Lubin Archives, vol. 1-I-1I: Lubin, Speech at the International Statistical Congress London 1905.

<sup>64</sup> FAO, David Lubin Archives, vol. 3-II-2: Ocean Freight rates; vol. 3-II-3: Marketing by Parcel Post Plan.

<sup>65</sup> FAO, David Lubin Archives, vol. 3-II-4.

<sup>66</sup> Lubin to Felix Adler (Columbia University), 22<sup>nd</sup> December 1912; see also Lubin to L.S. Rowe, President of the American Academy of Political and Social Sciences, 26<sup>th</sup> November 1913 as well as other letters in FAO, David Lubin Archives, vol. 3-I-1.

<sup>67</sup> See, for example, L. J. Rupp, *Worlds of Women: The Making of an International Women's Movement* (Princeton, 1997).

<sup>68</sup> L. Tosi, *Alle origini della FAO: Le relazioni tra l'Istituto Internazionale di Agricoltura e la Società delle Nazioni* (Milan, 1989); F. Trentmann and F. Just (eds), *Food and conflict in Europe in the age of the two World Wars* (Basingstoke: 2006); A.L.S. Staples, *The Birth of*

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