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About IATP

Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. IATP is headquartered in Minneapolis, Minnesota with an office in Geneva.

China's pig industry has global impact, new report finds

Shift to industrial production affects farmers, food security and environment

MINNEAPOLIS – China's decision to shift toward industrial pig operations, and away from smaller-scale production, has important implications for the future of China's farmers, the environment and global agricultural markets, finds a new report by the Institute for Agriculture and Trade Policy (IATP).

The report, "Feeding China's Pigs: Implications for the Environment, China's Smallholder Farmers and Food Security," by Mindi Schneider, traces the history of China's pig industry as it has evolved over the last several decades from backyard production to highly industrial operations. The paper examines the global implications of China's decision to rely on imported soybeans to feed the country's pig industry.

"China's pig industry has become more and more dependent on multinational agribusiness investment and imports for feed," said IATP President and China expert Jim Harkness. "This development has changed the dynamic of agriculture in China and pushed smaller-scale pig producers out of business. It has also played a role in increasing demand for agricultural land internationally."

China is the biggest pork producer in the world—almost all of its 50 million metric tons of production in 2010 (half of all the pork in the world) was consumed domestically. While domestic companies dominate the Chinese pork industry, transnational agribusiness firms like Archer Daniels Midland, Bunge and Cargill dominate the country's soybean crushing industry. The growth of the country's pork industry is a direct result of policies that have liberalized trade for some products, like soybeans, and retained protections and other policy tools like a pork reserve, in others.

The policies are a response to growing demand for meat in China, but they will not close the dietary and income inequalities that persist, and serious environmental and public health costs are escalating, according to the report. The increased liberalization of agriculture is taking a toll in rural China, where smallholder farmers struggle to access markets and make a living. Industrial livestock production generates more than 4 billion tons of manure annually, which has grown into one of the largest sources of pollution in China's waterways. Globally, as more land is converted to soybeans to feed China's pigs, there is an increase in pesticide and fertilizer use, as well as a loss of biodiversity. The heavy use of feed additives, such as hormones and antibiotics, in China's livestock production has been linked to a variety of health concerns.

“The crises of industrial agriculture are emerging in China as it is elsewhere in the world,” said Schneider. “This signals an opportunity for policymakers to consider supporting more sustainable ways forward.”

The paper recommends that China reassess the impacts of its strong adoption of industrial pork production and pig feeding on China’s population and environment. Redirecting research and subsidies from industrial systems to locally embedded systems, while maintaining food reserves, are steps in the right direction that could help meet national food security, development and environmental needs.

You can read the full report at www.iatp.org.

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