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Daily bread

As China globalises, some still think it should be self-sufficient in food

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“SELF-RELIANCE” is a notion now more closely associated with the *juche* doctrine of North Korea than with China. Indeed, the Chinese have profited handsomely from ditching such isolationism. But a little-noticed comment by Xi Jinping, China’s president, shows how, amid all the change, old thinking dies hard. Visiting farmers in Hubei province in July, Mr Xi said, “We must rely on ourselves for grain security.”

In the early 1960s, even as tens of millions of Chinese starved in a brutal famine, Mao Zedong was reluctant to import grain. Now, though, China is deeply integrated into global commodity markets. It is not alone: Japan and South Korea both import 73% of the grain they consume. Saudi Arabia imports 87%. Yet official policy in China still calls for 95% of China’s grain demand to be met by domestic production.

To many economists, the very idea is nonsensical. Given global price disparities and China’s comparative advantages, they say, China should import more of its food rather than dedicate limited land and water resources to growing it all. Feng Lu of Peking University says earning enough foreign exchange through exports to import whatever grain you need could be described as self-sufficiency. In 1961, he reckons, China would have needed 25% of total export revenues to meet domestic grain shortfalls through imports. Today, that proportion is at most 2%.

“Grain” is a term that also needs careful definition, adds Mr Lu. China is meeting its 95% target, but only if soyabeans are not included. It now buys vast amounts of soyabeans, especially from Brazil and America. Imports stood at 4.3m tonnes in 1999; by 2010 they had risen to 58m tonnes. In a recent article in the *China Economic Quarterly*, Huang Jikun of the Chinese Academy of Sciences predicts that imports will reach 90m tonnes by 2030. Most of the increase, he says, will be used for feed in the meat industry. Including soyabeans, says Mr Huang, China last year met 88% of its demand with domestic production.

The impulse to go it alone remains strong enough that Mr Xi, still consolidating his position as party chief, felt the need to pay it lip service. Many Chinese are haunted by the history of famine, or remain loyal to Maoist ideas. Others are simply protectionists concerned with preserving market share. Security hawks warn that, in wartime, an import-dependent China could see food embargoes used as a weapon against it.

But there is plenty of liberal scorn for such opinions, too. Mao Yushi, an economist, wrote in 2009 that if the entire world were to impose a grain embargo on China, “certainly it would be because we ourselves had committed some huge and dreadful crime against heaven. Even if there were grain to eat, it would not be good times for the Chinese people.”

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