Chapter 8

Food Security and Rural Development on Emerging Markets of Northeast Asia: Cases of Chinese North and Russian Far East

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ABSTRACT

The impact of economic globalization on sustainable development has been more and more perceptible since the 21st century. Regions of Russian Far East and Northeast China are the important regions affecting the sustainable development of the world because of their rich natural resources, good environment condition, and large potential for economic development. Due to a number of historical and geopolitical reasons, the cooperation between Russia and China in the region of Northeast Asia is progressing, but at a quite slow speed and in an unsustainable manner. The chapter addresses some problems and challenges of sustainable rural development in the Heilongjiang Province, P.R. China and neighbor cross-border regions of Russia (Far East Federal District and Siberian Federal District), investigates similarities and differences of rural way of life in those regions, and discusses measures to promote the cooperation between the two countries and ensure sustainable rural development and food security in the macro-region of Northeast Asia.

INTRODUCTION

In developing economies, demand for food and agricultural products is rising. China, India, Brazil, Russia, and other emerging economies which altogether unite over 40% of global population, have achieved certain success in increasing of living standards of their citizens. People increased consumption and changed their dietary habits. Demand surpassed supply which led to the problems related to food security.
Over the 1980-2010s, rapid economic growth and urbanization in China caused a substantial shift in the structure of food consumption. Zhou (2010) records growth of consumption of food products of higher quality, nutrient value and price in China (meat and meat products, milk and dairy products, and seafood) – to the prejudice of cheaper and fewer nutrient crops. Consequently, Chinese meat and dairy producers demand more crops as fodder for agricultural animals, which increases the load on agricultural lands and accelerates their degradation (Liu & Diamond, 2005). According to Nath et al. (2015), by 2030, China will need to increase agricultural lands under crops by 21% to be able to meet the increasing internal demand for food. Obviously, in the years ahead, China will face new challenges in the sphere of food security.

Russia, abundant with agricultural land, experience food security problems of different origin. In 2014-2015, because of Western sanctions, collapsing oil prices, and ensuing ruble depreciation Russian agricultural producers were hurt by the rise in prices for imported inputs. While retaining sanctions and countersanctions, high-interest rates and low state support in the longer term, Russian agricultural production will suffer from the drop in investment and, accordingly, in production. Consumers are hurt as well since the import ban along with a potential decrease in domestic agricultural production increases food prices and fuels food inflation. On the case of Russia, trade protection measures do not protect the market, but reduce food availability and quality of food products, and threaten the overall food security of the country.

Against the backdrop of different sources of food security problems, both countries have to search for effective solutions. Regardless of the concrete mechanisms selected in China and Russia, the basis for ensurance of food security is the development of domestic agricultural production, sustainable to economic shocks and international market fluctuations and responsive to shifts in consumption patterns. The author believes that development of rural territories may become the solution of food security problems in view of the new global challenges since rural territories have strong natural, demographic, economic, and cultural potential. Its rational usage may ensure sustainable development of agricultural production, the supply of agricultural products and food on the domestic markets, and high standards of life of rural dwellers in any country.

BACKGROUND

In some of the emerging economies, including Russia, understanding of food security differs from the internationally accepted one of the Food and Agricultural Organization of the United Nations (FAO). Thus, in some governmental documents and the works by Nechaev (2008), Ushachev (2013), and Shagaida and Uzun (2015) food security is treated as increasing of domestic food production up to the certain threshold set by the government. Spoor and Robbins (2012) point out the high political background of food security issue in Russia and countries of the Eurasian Economic Union (EAEU), which is confirmed by recent governmental decisions on food import bans taken in Russia in purpose to support domestic food producers.

A similar point of view is found in the Chinese sources. Many researchers, including Luan, Cui, and Ferrat (2013), Ghose (2014), and Jianhua (2011) food security treated as food independence or food self-sufficiency. More attention is paid to such dimensions of food security as ensurance of physical