

SWEET & LOWDOWN.

Authors:

Rogers, Heather

Source:

Mother Jones; May/Jun2010, Vol. 35 Issue 3, p58-79, 3p

Document Type:

Article

Subject Terms:

*SUGAR -- Manufacture & refining

*ORGANIC foods

*DEFORESTATION

Geographic Terms:

PARAGUAY

Company/Entity:

AZPA International (Company)

NAICS/Industry Codes:

311312 Cane Sugar Refining

311311 Sugarcane Mills

Abstract:

The article examines the environmental damage done by the growers of organic sugar. Among the problems caused by the growth of organic sugar cane is deforestation, specifically the destruction of old growth forests. Among a number of issues the article examines the activities of AZPA, an organic sugar grower in Paraguay.

Full Text Word Count:

2013

SWEET & LOWDOWN

Would you like some deforestation with your organic sugar? Federal organic standards have no problem with that.

THE YBYTYMÍ HILLS OF eastern Paraguay are crowded with mango trees, palms, and gnarled cacti. Sparse grasses and the red flames of ginger plants dot the ground beneath Brazilian walnut trees, some as tall as 100 feet. It's one of the most biodiverse areas in the world, home to jaguars, tapirs, a plethora of reptiles and amphibians, and more than 500 species of birds.

In a remote area known as Isla Alta, the forest abruptly halts at the edge of sugar fields. The land belongs to a company called Azucarera Paraguaya (AZPA), one of the country's chief sugar producers and the supplier of nearly one-third of the organic sugar consumed in the United States. If you've ever eaten a bowl of Cascadian Farm breakfast cereal or had a glass of Silk soy milk, you've probably enjoyed some of its harvest.

Organic sugar is booming--thanks in part to the spread of organic versions of all the high-sugar snacks Americans love--so much that domestic suppliers can't keep up with demand. Even amid the current recession, organics are the food industry's fastest-growing segment and are still enjoying the double-digit growth rates they've seen over much of the past two decades. Between 2007 and 2008, domestic

sales of organics spiked by almost 16 percent to \$22.9 billion. But North America has just 7 percent of the World's organic cropland, so organic processors and retailers must increasingly rely on produce from abroad, like raspberries from Chile, asparagus from China, and sugar from Paraguay.

Sugar is a perfect example of how the global organic supply chain works--and why consumers who look for the organic label may not realize what's really behind it. AZPA sells its organic sugar to Wholesome Sweeteners, a subsidiary of Imperial Sugar, America's biggest sugar company. Wholesome in turn sells organic sugar under its own label--as well as to agribusiness giants such as General Mills, which owns the organic brands Cascadian Farm and Muir Glen, and Dean Foods, the maker of Silk. Foreign producers like AZPA that want to sell to the American market must adhere to standards overseen by the US Department of Agriculture's National Organic Program, which have become the de facto organic standards for much of the world. But the enforcement of those rules is spotty, and the rules themselves can be so broad or undefined as to allow practices that seem to violate the spirit of sustainability.

Take clearing old-growth forest to plant new fields--the USDA standards don't even mention it. No one foresaw deforestation as an issue when the National Organic Standards Board began drafting the organic regulations in 1992, according to Fred Kirschenmann, a former board member and sustainable farming expert. However, he says, a land-use rule that would have effectively banned deforestation was rejected. "The National Organic Program's lawyers said no, because devising the metrics for that would be too complex," says Kirschenmann, now a distinguished fellow at the Leopold Center for Sustainable Agriculture at Iowa State University. Asked about this, the NOV says only that organic farming must "maintain or improve" natural resources such as soil and water.

The deforestation loophole gives big growers a cheap way to compete in an aggressive market. "The market needs a certain quantity and quality at a certain price," says Steven Gliessman, a professor of agroecology and environmental studies at the University of California-Santa Cruz. "These are producers that have the resources to buy up unused land, forested areas, and convert them to agricultural land," he says. Organic producers have little incentive not to clear land, says Laura Reynolds, codirector of the Center for Fair and Alternative Trade Studies at Colorado State University. "If they are involved in commercial organic circuits, where price premiums for producers are often quite low, they are caught in the same market dynamics as conventional producers and may disregard rules that are not enforced."

This dynamic was evident when I visited Paraguay, where AZPA has been looking for additional land to grow more organic cane to feed the American market. Converting its conventionally farmed fields to organic would take three years, during which it would have to use more expensive organic methods on "transitional" crops that must be sold at the lower conventional price. A more attractive approach is to establish new fields where "forest once grew; then, the cane can fetch the higher organic price from the first harvest.

In Isla Alta I met Flor Fretes, the environmental secretary for the state of Paraguari, and her husband, Avelino Vega, a local lawmaker and agricultural educator. Both are in their 30s and grew up in the region. Fretes, who had a glamorous mane of black hair and had to change out of short shorts and high heels before we headed into the cane fields, explained that AZPA's land bordered a part of the Ybytymí (pronounced ee-bee-tee-MEE) that's been preserved as a national park. While thousands of acres of AZPA's land were covered with cane, many remained dense with trees. But Vega said that was changing: "Ten years ago there were no roads; it was totally forested." Fretes added, "It's very difficult to fight against. Because AZPA's a big business in the area, everything is just forgotten."

Dario Zaldivar, a Paraguayan who manages US exports for Wholesome Sweeteners, said he'd been trying to convince AZPA to spare the pockets of forest on its undeveloped land at Isla Alta, without much success. He'd noticed more deforested land on AZPA's holdings: "Mostly in the last five years, that's when you can really see it. That's when demand for organic really picked up." Zaldivar wasn't sure if the sugar producer was clearing the land itself. But he speculated that the family-owned company had been shifting its land titles to cattle ranchers, who would clear the land as pasture for two or three years and then sell it back to AZPA. A former militant leftist and founding member of the national Workers' Party, Zaldivar repeatedly told me that the big producers were draining "organic" of its meaning. Asked why he kept working with them, he replied, "Because of the money. In organic you can make a lot of money."

When I reached Raúl Hoeckle, then-president of AZPA, at his office in the country's capital, Asunción, he confirmed that his family's company wasn't converting its existing conventional cropland, but was establishing new fields to ramp up organic production. He said AZPA has 25,000 acres in cultivation but would not say how much land it owned altogether. (A Paraguayan government website puts it at 50,000 acres.) When I asked about deforestation, Hoeckle got cross. He said that his family had sold off land only to find, after they'd bought it back, that it had been cleared. "When we sell or buy, our responsibility starts when we buy the land," he explained. "Only then is it important that we don't make something against nature--and we don't do it!"

Fretes said it was inconceivable that AZPA could be unaware of the deforestation on what used to be its land. "Even if it's not them doing it directly, even if it's other companies or small farmers, AZPA knows the land is cleared for them to grow sugarcane," she said. "Either way, AZPA is ultimately responsible."

There's nothing illegal about any of this; in fact, it's just one of several opportunities for taking full advantage of the USDA's broad organic standards. On its fields, AZPA follows standards for no-till plowing, weeding by hand, and forgoing chemical fertilizers, herbicides, and insecticides (wasps are used to drive out pests). But AZPA applies chicken manure from industrial poultry farms as fertilizer, a practice that is acceptable under USDA regulations. The regulations ban monocropping, repeatedly growing a single crop in the same field; this applies to annual crops, but not perennials such as sugar. Ruben Ayala, AZPA's head of crop care, told me the company rotates its crops, but he couldn't provide specifics, and I saw no evidence of it. The massive cane fields he showed me had recently been hit by an infestation of sugarcane borers, a common sign of monoculture.

THE CONFUSION over what organic really means in practice can be traced back to Washington--specifically, to the offices of the NOP. Since its creation in 2002, the USDA's organic program has suffered from a lack of resources, expertise, and leadership. Until 2008, it subsisted on an annual budget of about \$2 million and had between five and eight employees, whose duties included interpreting and enforcing the federal organic rules as well as overseeing nearly 100 certifiers. Just last year, the program's compliance and enforcement branch announced plans to "establish an internal management system" because, for the first time, it was going to have actual staffers.

To be sure, the Obama administration appears to be beefing up the organic program. Recently, its staff nearly doubled from 14 to 27, and its 2010 budget is \$7 million. In March, an audit ordered by Kathleen Merrigan, the deputy secretary of agriculture and a longtime proponent of sustainable agriculture, concluded that the NOV has failed to consistently oversee organic certifiers or clarify the rules, undermining the "assurance that products labeled as organic are meeting a uniform standard."

Part of the problem is that the enforcement of the organic rules has been left up to third-party certifiers--and the regulations give them plenty of wiggle room. Certifiers are not required to take soil samples or test for chemical residues on produce, only to review paperwork and conduct "visual inspections"--keeping an eye out for containers of banned fertilizers and pesticides. The wide range in how the standards may be interpreted allows producers to shop for a certifier that will apply the rules most favorably.

Until last May, AZPA's certifier was California-based Quality Assurance International, a major player in the global organic trade--it certifies two-thirds of all organic food on US grocery store shelves. Every year, QAI would dispatch a freelance inspector to AZPA's plantation and mill, most recently Luis Brenes, an organic inspector based in Costa Rica. Like QAI, Brenes wouldn't comment on AZPA, but he told me that USDA standards for things such as biodiversity were too vague to include in his inspections, so he had to take the growers' word for it. "If you have a requirement that is not concrete enough to be measured or in some way evaluated, you cannot audit it," he said.

This approach satisfies producers who want organic status and low overhead. But it also opens the door for abuses: In 2007, a USDA investigation found that Aurora Organic Dairy (which supplies Horizon Organics, which is owned by Dean Foods) had committed more than a dozen "willful violations" of organic procedures. QAI, the dairy's certifier, did not revoke its certification, and it continued to defend its client even after the USDA put it on probation. QAI received no penalty. (In its first seven years, the NOV had revoked the licenses of only two organic certifiers.) Joe Smillie, vice president of QAI and a member of the National Organic Standards Board, recently told the Washington Post, "People are really hung up on regulations. I say, 'Let's find a way to bend that one, because it's not important.'...We live in a polluted world. It isn't pure. We are doing the best we can."

Many consumers continue to give the organic label the benefit of the doubt. Indeed, acknowledges Peter LeCompte, the organic sourcing manager for General Mills, "People's faith in organic is often not founded in knowledge." Is the current certification system susceptible to abuse? "Sure," he says. "If somebody wants to cheat and they're smart, they can get away with it." At an organics industry conference I attended in São Paulo, Brazil, Bruno Fischer, the director of international procurement for the organic conglomerate Hain Celestial, was even more candid. "Most consumers are simple minds," he told the audience. "Simple minds will look at the label and nothing else."

PHOTO (COLOR)

~~~~~

By Heather Rogers

Illustration By Marc Burckhardt

---

Copyright of Mother Jones is the property of Foundation for National Progress and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.