

# China Denies It's Hoarding Food, but Facts Show Otherwise

People crowd as they shop for food at a supermarket in Chaoyang District in Beijing, China, on April 25. (Kevin Frayer/Getty Images)

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<https://www.newsmax.com/platinum/china-coronavirus-variant-stockpiling-food/2022/04/26/id/1067234/>

Beijing residents are flooding supermarkets amid fears they'll soon be subjected to a lengthy lockdown as a new coronavirus variant spreads through the city – but stockpiling food in China is not limited to just those worried residents in the nation's capital.

The Chinese government's own massive food shopping spree hasn't slowed either, resulting in the country amassing huge stockpiles of corn, rice, and wheat that many experts say is causing the prices of agricultural goods to skyrocket around the globe.

According to data compiled by the U.S. Department of Agriculture, by the middle of 2022, China is expected to have 69% of the globe's corn reserves, 60% of its rice, and 51% of its wheat.

China claims it's merely ensuring it has enough food on hand to feed its large population – something the country has struggled with historically – but the data indicates China is stockpiling its agricultural imports.

China expert and author Gordon Chang said the only way to describe the Chinese Communist Party's large agricultural purchases is to call it what it is: hoarding.

"They are hoarding," he said. "They, of course, will never admit to something like that."

China hawks agree that China's draconian — and failed — "zero-COVID" policy is what is fueling the current scramble to secure food in Beijing. For weeks, Shanghai has been on a hard lockdown in an effort to curb the number of coronavirus cases and other areas are worried they could be next.

"Unfortunately, yes, lockdowns are prompting just about everybody to hoard, and it's just not in the lockdown cities," said Stanley Chao, author of "Selling to China." "Chinese citizens are hoarding even in cities that just got out of lockdown or have no threat of lockdown like Xian, Chengdu, and the Northeast cities."

Chao, who has friends and family residing in Beijing, said his contacts are lining up at grocery stores to "buy up everything from flour, rice, meats to vegetables, and baby food."

Those who can afford to use grocery delivery services are ordering up to "six weeks' worth of groceries" while others load up on meats and frozen vegetables to "last up to six weeks without having to step foot outside to buy food," he said.

Chao described the environment as "hysteria," with Beijing residents "taking their cues from Shanghai where they're seeing people survive on minimal rations or complaining about little or no food for weeks."

"They don't want to see this happening to themselves," he said.

Despite Beijing officials telling people "not to worry" about facing the same lockdowns as Shanghai, Chang said the people aren't taking any chances.

"People are just extrapolating and saying, 'if it happened in Shanghai, it'll happen in Beijing,'" he said.

Usha Haley, the W. Frank Barton Distinguished Chair in International Business at Wichita State University and an expert on China and food security, said the supermarket rush was sparked by people observing Shanghai's food rationing amid the ongoing lockdown.

"The recent COVID outbreaks in China are an embarrassing reminder of President Xi Jinping's policy failures," she said. "Xi made public pronouncements on China's successful zero-COVID policy; Shanghai proves the contrary."

"Chinese citizens also know that the government will not release information to make their daily lives smoother and enable planning for daily commodities such as food, if the information provides evidence of failed policies."

Yet even as it encourages residents not to make a run on grocery stores, the government has been stockpiling food.

Chinese customs data shows that China's rice imports rose 53% last year. Its overseas purchases of wheat increased nearly 18% last year.

According to a report published by the state-controlled Economic Daily in January, China's rice and wheat inventory can feed its people for 18 months.

The report is in line with what Qin Yuyun, head of grain reserves at the National Food and Strategic Reserves Administration, told reporters in November, saying that China is keeping its food stockpiles at a "historically high level" and that it has enough wheat supply to last a year and a half.

Haley said several factors are responsible for China's current stockpiling, including environmental, psychological, and historical issues.

She points out that the older Chinese generations remember the Great Famine of 1958-1962, which led to millions of people dying.

"These food shortages stemmed from Chairman Mao Zedong's Great Leap Forward, a radical agricultural campaign to make China a communist utopia through rapid industrialization and collectivization," she said. "In a COVID-riddled China, ensuring food security has become an increasingly more crucial political priority for Beijing's new development strategy that relies on domestic markets and consumers to hedge against external uncertainties."

China spent \$98.1 billion importing food in 2020, an increase of 4.6 times from levels a decade earlier, according to the General Administration of Customs of China.

Financial publication Nikkei Asia found that between January and September of 2021, China imported more food than it had since at least 2016, the last year with comparable data.

Considering China is the "world's largest importer of food," due to its massive population and such little arable land, Haley said China has "shaped global supply and demand for food."

"Beijing's increased imports, restricted world supplies of food, and global uncertainty including environmental changes and COVID, have all contributed to Chinese stockpiling of food and increased food prices worldwide," she said.

And after China's Minister of Agriculture and Rural Affairs indicated that China's wheat crop could be the "worst in history," Chang said that "Chinese leaders who are deeply paranoid and insecure in the best of moments are even more so now."

Without a bountiful wheat harvest and corn and barley imports from Ukraine strained due to the Russian invasion, Chang said China could feel it is "running out of options" and needs to import more commodities.

Long term, he said the trends "don't look very good in terms of food."

While the U.S. "can't stop the Chinese from buying up everything," Chang said there is a possibility that a U.S. president down the line might opt to block the export of agricultural products if China's hoarding gets out of control.

"We don't have to do that yet," he said. "It is way down the line, but it's not inconceivable."

Chang points out that the U.S. is "very fortunate" in the sense that we can feed ourselves. But he said there are other countries that will be "struggling with each other to insure their food supply."

He fears that the next wars could be "fought over food."

And while that may be a worry for another day, it still affects the present, as China's stockpiling continues to impact food prices.

"Prices will go up," Chang said. "That will be imminent and it will continue."

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