

NO.3 | AUG 2003 | ENGLISH VERSION

# Agreement on Agriculture and Food Sovereignty Perspectives from Mesoamerica and Asia

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Global Issue Papers, No. 3: Agreement on Agriculture and Food Sovereignty Perspectives from Mesoamerica and Asia Published by the Heinrich Böll Foundation © Heinrich Böll Foundation 2003 All rights reserved

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#### Introduction

Steeped in the rhetoric of free trade that promised expanded agricultural trade and growth for developing countries, the Agreement on Agriculture (AoA) took effect in 1995 under the new World Trade Organization. As the AoA aims to liberalize trade in agriculture, it has tremendous impact on agriculture and the livelihoods of poor peasants in the South.

In many developing countries, agriculture is the major source of rural livelihoods and provides employment for over half of the labour force. Despite a declining share of GDP, agriculture remains a major pillar of these economies. In the past decades, many such countries have struggled to raise their agricultural production to meet the increasing food needs of their populations. But the neo-liberal economic reforms imposed by the International Monetary Fund and the World Bank on developing countries, particularly since the Structural Adjustment Programmes (SAPs) of the 80s, have reoriented domestic agriculture away from food production and increasingly integrated it into the world market. The WTO-AoA locked-into these policies, reinforced the export-oriented model of third world agriculture, and forced open domestic markets to dumped imports. While developing country governments were increasingly forced to withdraw their remaining protective measures and support for agriculture under the AoA, the agricultural dumping practices and trade-distorting measures of developed countries were even legitimized.

The devastating impact of the AoA on small-scale farming, food security and rural employment calls for urgent and serious attention, particularly in the agriculture negotiations at the up-coming WTO Fifth Ministerial Meeting in Cancun, Mexico. This policy paper aims to bring forward the issues and demands of the popular majority in developing countries in Mesoamerica and Asia that arise out of the implementation of the AoA. It will also provide an overview of the political positions in both regions in order to identify common ground for alliance-building. Part I of the paper describes the rationale of the AoA and its impact on small-scale farming in the South. It provides data on the structural changes that took place in the two regions as well as describing the policy changes and reforms instituted by national governments in line with their commitments to the WTO-AoA. Part II focuses on the significance of the Ministerial Meeting in Cancun and presents the issues and demands forwarded by various organizations in the two regions. It also discusses possible common grounds that could be created between organizations advocating long-term structural changes and those working for a more reformed AoA. This part also analyzes possible changes to the AoA, taking into consideration the positions of major players as well as those of the developing countries. Finally, Part III tackles the alternative framework proposed by social movements in addressing their key issues and demands.

In addition to presenting the legitimate demands of small-scale farmers and civil society in developing countries relative to the WTO agenda, the paper also hopes to provide greater space for dialogue and interaction, between and among civil society groups engaged in campaigns and advocacy around WTO, trade and food sovereignty.

# I. The Road to Cancun: Impact of the AoA

The inclusion of agriculture in the Uruguay Round of negotiations was supposedly aimed at establishing "a fair and market-oriented trading system" in agriculture. But stripped of such rhetoric, the Agreement on Agriculture, by design, merely promotes the sole interests of developed countries in favour of expanded market access, even as it protects their dumping practices and massive trade-distorting subsidies at the expense of millions of small farmers in the South whose livelihoods are continually decimated by unjust competition. Under AoA, the inequalities between the industrialized agriculture of the North and the small-scale and underdeveloped agriculture of the South are further reinforced. This leads to a further concentration of economic and market power within a few big developed countries and their transnational corporations.

AoA has been developed from the concept of a level playing field where all players are in an equal position to compete. But the reality is that the various stakeholders are not equal and therefore cannot compete equally in the given market environment. In particular small-scale farmers are not in a position to trade in the international markets. In South Asia, more than 50 percent of farmers are small producers tilling an average farm size of no more than 1.6 hectares. In India, the absolute landless and near landless (those with less than half an acre of land) constitute 43 percent of rural households.<sup>2</sup> It is estimated that over 400 million people in India are small and marginal farmers.<sup>3</sup> Similar data is available for Pakistan: nearly half of all rural households in the two major provinces Punjab and Sindh are landless.<sup>4</sup> At the other end of the spectrum, only 4 percent of rural households in Pakistan own 50 percent of the land. In the Philippines and Indonesia, the average size of land tilled by small farmers is less than a hectare. In Mexico, although the landless rate is lower due to land reforms following the 1910 revolution, most crops continue to be grown by smallholder peasant farmers: Mexico has 4.407880 agricultural production units, 59.45 percent have less than 5 hectar, 45 percent of coffee growers work fewer than 2 hectares, and 65 percent of growers are indigenous. In corn, the majority of growers have fewer than ten hectares and combine production for family consumption with sale of surplus.5

There is also the lack of a competitive spirit. For a vast majority of the rural communities in the world, food is first of all a basic need which must be met. Peasant women, for example, who work on a daily labour basis, always choose to divide their time between picking cotton and threshing rice since both crops are important - cotton provides the cash, while rice is for consumption. For women, it is imperative that they

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<sup>&</sup>lt;sup>1</sup> Mahbub ul Haq Development Centre. Human development in South Asia 2002. Oxford University Press, 2003, p. 41.

<sup>&</sup>lt;sup>2</sup> Wrenn, Eroin. Food and nutrition security "food for all:" An Indian Context. Voluntary Action Network India, 2002, p. 46.

<sup>&</sup>lt;sup>3</sup> Chanakya, H.N. et al. Alternative technologies for sustainable agriculture – peoples initiative from South India, in Nair, Prabhakar. Past roots and future of foods. Pesticide Action Network, 2003, p. 18. <sup>4</sup> Social Policy Development Centre. Social Development in Pakistan, Annual Review 2001. Oxford University Press, 2002, p. 73.

<sup>&</sup>lt;sup>5</sup> Acuña, Olivia, Toward an Equitable Agricultural Market in Wise, Timothy, Hilda Salazar and Laura Carlsen (eds.) Confronting Globalization, Kumarian Press 2003.

take part in cutting wheat and threshing rice because these will ensure food for their families for at least a few months.

These realities are not reflected in the AoA, which favours the big traders rather than small-scale producers.

Consequently, small farmers and the more vulnerable sectors of rural society who barely have access to land, capital and technology lose out in what is a clearly uneven and unequal competition. Higher fuel costs, higher fertilizer prices, costlier credit and higher water use charges compared to those in developed countries, as well as increasing labour costs, all contribute to the growing uncompetitiveness of third world farmers. These constraints have become more acute under the AoA as developing country governments have withdrawn much needed production support such as the procurement of farmers' produce. Small farmers in developing countries have thus been easily displaced by the deluge of cheap and highly subsidized food imports from developed countries.

The liberalization of agricultural trade has also reinforced the export-oriented model of agriculture that has been promoted since the Structural Adjustment Programmes period. While this has led to prosperity for a few, it has pushed the majority poor deeper into poverty and indebtedness and has worsened hunger and malnutrition. As government programmes and priorities have been redirected towards commercial and high value crop production and away from domestic food production, small-scale and subsistence farming has been increasingly displaced and traditional farms have been converted to the more lucrative export crop plantations. This paved the way for further concentration of land and capital in the hands of the wealthy elite, increased indebtedness among poor farmers as capital became costlier, increased burdens for women who have to take the place of male farmers in the workplace, massive out-migration, and severe environmental risks. Export plantations as well as aquaculture production and deep-sea fishing have all taken their toll on already depleted soil, water and marine resources.

Thus rapid trade liberalization that has hastened the integration of developing countries' agriculture with the global market has grossly undermined food security and food self-sufficiency in many developing countries. As a result of policies that dismantled their remaining protection and support for basic food crops, these countries have faced slower and declining food crop production output since the mid-90s, thereby threatening their capacities to meet the increasing food needs of their populations. Many such countries abandoned food self-sufficiency policies as they became more dependent on food imports. In fact, many studies have shown that most developing countries became net food importers a few years after they acceded to the WTO-AoA - even though many of them had already achieved the status of agricultural exporters in the 70s and 80s.

This alarming shift in food policy by many developing countries was in no uncertain terms aided by the WTO and the international lending institutions. These hailed trade liberalization as the best policy option for developing countries to address their food security concerns. Within the WTO's free market paradigm, food security has thus

been redefined from meaning an increased capacity among developing countries to produce food for their own consumption to mean mere access to cheap food supplied by developed countries. Even UN agencies like the FAO echoed this chorus.

A recent FAO definition for food security reads "Food security exists when all people at all times have physical, social, and economic access to sufficient, safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life."6 This definition has been considered contentious as it allows dumping of imported cheap foods as well as providing food through aid in Southern markets. This immediately makes small producers vulnerable, as they are unable to compete with highly subsidized agricultural production controlled by the powerful transnational corporations of North America and Europe.

Moreover, this definition fails to address the insecurity of relying on the international market and foreign aid for basic foods. Many factors can jeopardize the flow of needed imports, including: 1) reliance on a single producing region and extremely limited varieties that leads to increased vulnerability to climatic changes, pests and disease; 2) financial crisis creating a lack of foreign reserves to pay for imports and; 3) politically motivated embargoes or the potential for trade conditionality in the context of the U.S. anti-terrorism campaign.

But despite efforts to redefine development and food security within a clear neoliberal framework, the WTO and international development institutions have been unable to hide the fact that a few years after the agriculture agreement came into force, many developing countries have experienced stagnant agricultural growth, declining agricultural export earnings, rising rural unemployment and increased poverty and hunger among the mass of their populations. It would therefore seem that the experience of these countries has exposed the anti-development agenda of the WTO-AoA.

Hence, it is not surprising that by the beginning of the AoA negotiations in 2000 many developing countries had already expressed their discontent. They pointed to the inequities inherent in the agreement that effectively exacerbated existing asymmetries in the gobal trading environment. They would therefore like to redress the imbalances in the agreement. As they point out, they have rapidly converted their import quotas to tariffs and have lifted all protective measures on agriculture. There has, however, been no reciprocal action by developed countries. Confronted with this reality, even development agencies like the UN have had to acknowledge the debilitating impact of unbridled one-sided trade liberalization on poor farmers and vulnerable sectors.

Focusing on the trade-development nexus, many critiques have advocated WTO reforms that would ensure that the development needs of poorer countries would not be sacrificed in favour of rapid trade liberalization. One such significant position is the multifunctionality of agriculture, which criticizes the over-emphasis of the WTO-AoA on the trade function of agriculture. This position sees agriculture not merely as the production of tradable goods, but also as an important sector that serves broader social goals like food security, rural development, rural employment, cultural heritage, envi-

<sup>&</sup>lt;sup>6</sup> Kunnemann, Rolf. Food security: evading the human right to food? Fian Magazine, January, 2002, p.

ronmental and landscape protection, etc. Hence it demands reforms to the AoA that would promote these legitimate non-trade concerns. However, many developing countries view this concept with scepticism because its leading advocates are the developed countries like the EU and Japan who are known to grossly protect their own agricultural producers at the expense of small farmers in poorer countries. Hence, the multifunctionality concept is seen by many developing countries as nothing but a cloak for more protectionism by developed countries.

For many developing countries, therefore, the central issue has remained the existing imbalances in the agreements and the lack of operational and effective remedial measures against such imbalances such as the proposed Special and Differential Treatment (SDT). Thus, in Doha, ministers came out with a strong statement that emphasized the need to address the development concerns of developing countries through an effective SDT, "...We agree that special and differential treatment for developing countries shall be an integral part of all elements of the negotiations and shall be embodied in the Schedules of concessions and commitments and as appropriate in the rules and disciplines to be negotiated, so as to be operationally effective and to enable developing countries to effectively take account of their development needs."

In contrast to these proposals, civil society has called for fundamentally different policies to achieve food security, rural development and to protect the livelihoods of small-scale farmers around the world. This view notes that the failed market "reforms" of the WTO have in fact intensified the structural causes of poverty and hunger. For civil society, food sovereignty, as an entirely different paradigm, is needed to ensure that developing countries are able to meet their food security, rural employment and development objectives. Food sovereignty, for them, encompasses their demand for WTO to cease its control over food and agriculture. Food sovereignty basically recognizes that small farmers and landless peasants can never compete in the corporate agriculture paradigm.

This broad range of criticisms leveled against the AoA continues to reflect the enormous discontent and dissent generated by WTO's incursion into food and agriculture. Unfortunately, the on-going agriculture negotiations have failed to respond substantially to these critiques, even as developed countries continue to push for more aggressive trade liberalization measures. Meanwhile, Cancun and the possibility that expanded and more ruthless trade rules will be enforced pose even graver risks to rural livelihoods, food security and the development of poorer countries.

With the WTO now in place for more than eight years, the impacts of the agreement are far more visible. Research and fact finding by many people's movements have brought greater understanding of the issues to light, and have led to the crystallization of demands by various groups.

#### 1. Tariffs, Subsidies and Government Policies in Agriculture

Under the WTO-AoA, developing countries are required to dismantle their agricultural import quotas and convert these to tariffs that should be progressively reduced over the years. Many developing countries rapidly complied and a few years later had achieved low agricultural tariffs hovering between 30 and 60 percent. Other countries had achieved even lower tariff rates averaging only about 15 percent through their unilateral import liberalization programmes. In Thailand, for example, the tariff rates for 740 agricultural products have been significantly reduced. All import quotas [quantitative restrictions] for 23 agricultural products had been tariffied in 1995 including rice and rice products. Thailand also committed to reduce the average tariff from 40 percent in 1995 to 37.8 percent in 1999 and 32 percent in 2004, but these rates are still the highest in the ASEAN region. In Indonesia, the import tariff on rice is 30 percent even though under the WTO Indonesia is bound to a tariff of 160%. In the Philippines, average applied tariff rates are now only 7-15 percent. In Mexico, tariffs for almost all agricultural products coming from the US and Canada were reduced to zero in 2003 as part of the country's trade obligations under the North American Free Trade Agreement (NAFTA). Mexico's total embrace of the free trade regime has been far more rapid since it entered NAFTA in 1994.

Even before the WTO-AoA took effect, most of the countries in Asia and Mesoamerica had already deregulated and liberalized their agriculture in line with the IMF-WB sponsored Structural Adjustment Programme. Many had implemented a comprehensive import liberalization programme that removed their non-tariff barriers to agricultural imports and reduced tariffs substantially. Thus it is not surprising that many developing countries are now faced with very low applied tariff rates compared to their bound rates under the AoA. Under structural adjustment policy, liberalization in the import trade was crucial to improving domestic competitiveness by allowing international competition and relative prices to influence domestic prices. SAP also required national governments to decrease their intervention in production and trade as their continued presence created market distortions that produced inefficient outcomes. We can therefore see that since the 80s government expenditures on agriculture and rural development have drastically declined.

In both regions, these fundamental policy shifts became more pronounced under the WTO-AoA. Parallel to the rapid trade liberalization measures that were instituted in agriculture, strong government intervention in the sector has markedly diminished since entering into the agreement. Government expenditures in agriculture, particularly subsidies for inputs and credit, declined as did their huge investments in infrastructure support, irrigation, research and development. State intervention in trading, marketing and food distribution was in some countries totally withdrawn and in others considerably weakened. To pursue their commitments under the AoA, many developing countries proceeded to amend and revise their existing laws, many of which were no longer attuned to its free market rules.

<sup>&</sup>lt;sup>7</sup> Corn, beans, powdered milk and sugar are formally still subject to tariffs although in most cases the Mexican government has waived tariff protection.

In Mexico, trade liberalization policies are at the heart of the structural adjustment policies carried out since the eighties. Mexico joined the GATT in 1986 and trade liberalization policies accelerated under the administration of President Salinas in 1988-1994. NAFTA is merely the culmination of these policies. When Mexico entered NAFTA and GATT, it had already carried out a series of institutional and legal changes that opened up its economy to foreign trade and investment. Foremost among these was the reform of Article 27 of the Constitution, that legalizes the privatization of ejidos, state lands collectively worked by registered ejido members. By allowing the ejidos to be parceled out for sale or rented to the private sector, the reform accelerated the disintegration of social-sector farming, which was the lifeline of most small farmers, and violated the principles of the Mexican revolution that created the ejido. The second major change was the dismantling of the National Company of Popular Subsistence (CONASUPO), the state agency charged with purchasing at guaranteed prices, storing and distributing agricultural products, food and inputs. <sup>8</sup> Due to its commitments under NAFTA and the WTO-AoA, the Mexican government continued to withdraw from its agricultural extension, promotion and support services. This process was carried out throughout the nineties without a transition phase to create new structures.

The same policies are evident in many Asian countries. The Philippines, just like any other third world country, does not have anything to reduce under the AoA's domestic support and subsidy reduction obligation, as its subsidies already fall below the deminimis (10 percent of the value of production for product-specific subsidies), and are therefore excluded from subsidy discipline. According to data provided by the Department of Trade and Industry, the Philippine government price support for rice and corn in 1996 was only 5 percent and 1 percent, respectively, of production value and has since been decreasing. In Thailand, ever since the government drastically reduced its subsidies, Thai farmers have had to endure the high cost of production, especially chemical inputs which eat up 36 percent of the production cost. Thailand is one of a few developing countries that agreed to significantly reduce its domestic support for agriculture from 21.4 million baht in 1995 and to about 19 million baht by 2004. Thailand used to spend 16 million baht per year for domestic subsidies for rice alone. The Indonesian government has historically intervened actively in rice trading through BULOG, the National Food Logistics Agency, by setting a price ceiling for rice at the consumer level and defending a floor price for paddy rice at the farm gate. Today, BULOG has been reduced to stabilizing only rice prices and its monopoly on rice imports has since been lifted. Current national legislation and policy reforms in Indonesia aim to further restructure BULOG to merely regulating price and assuring food stocks.

In Pakistan, the Corporate Farming Ordinance was passed in 2002. The ordinance allows agribusiness corporations to buy or lease unlimited land for a 50-year period, with an option to be renewed for another 49 years. As agriculture investment policy in Pakistan allows only corporations that are listed on the Pakistani stock exchange to

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<sup>&</sup>lt;sup>8</sup> For more information see: Villareal Corrales, L. TLC. Las reformas legislativas para el libre comercio 1991-2001. Ed. Purrúa. México, 2001.

<sup>&</sup>lt;sup>9</sup> Sayeed, Azra Talat. Agriculture Investment Policy: The 'holy alliance' of the Pakistani State, G8 and transnational corporations. Pakistan Perspectives, Vol. 7, No. 1, January-June, 2002, p. 125.

participate, this means that only the Transnational Corporations (TNCs) will 'benefit' from the ordinance. It is clear that there is enough land in the country to lease out or sell to the TNCs, but not enough for distribution to the landless who comprise a huge majority in the country. Up until now, agricultural land ownership has been in the favour of the feudal class. This trend of corporate agriculture will certainly provide feudal lords with the option to work hand in hand with the TNCs.

A deep-sea fishing policy has also been announced which allows deep-sea trawlers to fish in the 12 nautical mile limit reserved for local fishermen. This will have immense impact on the ability of local fishermen to sustain their livelihoods.

#### 2. Import Surges

As their import controls were rapidly dismantled, developing countries in Asia and Mesoamerica experienced heavy food imports that undermined domestic production, threatened food security and worsened existing trade deficits. In the Philippines, rice imports have flooded the domestic market since 1995, peaking at 2 million metric tons in 1998 and averaging 800,000 metric tons per year over the past eight years. This, despite the fact that rice is grown all over the country and quantitative restrictions are still imposed on rice imports. Heavy imports of corn, milk, beef, vegetables, oil and other food items further widened the country's trade gap in agriculture, transforming it into a net food importer. It was an agricultural exporter in the 80s and early 90s.

A similar fate befell other countries in the region. An FAO study in 2000 and 2001 showed that increases in food imports in developing countries were significantly greater than increases in their agricultural exports. Food import bills more than doubled in Brazil and India. The study further noted tremendous increases in the ratio of food imports to agricultural exports in these countries since they obliged with their commitments under the AoA. In India, the ratio rose to 49 percent and in Bangladesh to 80 percent! Bangladesh estimated benefits from its agricultural exports of some \$1.64 million were practically obliterated by its immense import bill of \$36.4 million. In India, many of the imported items that have been liberalized are also produced abundantly in the country such as milk, coconut, neem products and even Basmati rice.

In Indonesia, food imports have likewise outpaced its agricultural exports. Rice imports to Indonesia reached 5 million metric tons in 1998 and have been averaging 2.8 million metric tons per year in recent years [1998-2002], easily making the country the world's largest rice importer. This is ironic for a country that a few years back was the world's 9<sup>th</sup> largest rice exporter. This is by no means a coincidence. The trend towards increasing rice imports occurred when the government pegged its rice tariff at zero for three years. The same pattern can also be seen in other food products such as soybeans, sugar and corn. In the last three years, Indonesia has imported as much as

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<sup>&</sup>lt;sup>10</sup> Bonnie Setiawan, IGJ. Indonesia: An Analysis on Government's Position to Protect Food Security. Paper presented to the APNFS Regional Conference, May 2003, Bangkok, Thailand.

4.20 million metric tons of soybeans. Within the past six years, the percentage of imported sugar and soybeans has increased by 45 percent and 40 percent, respectively.<sup>11</sup>

While Thailand is primarily an agricultural exporting country, its export earnings are gradually declining (average of 450,000 million baht a year) compared to an increasing import bill (about 250,000 million baht per year). The share of agricultural exports to Thailand's GDP has significantly declined from 60 percent in the 1980s to about 22 percent in recent years.

In Mexico, corn imports have tripled since NAFTA. This has caused a decline in domestic corn production and a 64 percent drop in producer prices between 1985 and 1999. Import surges in almost all key agricultural products have devastated local agriculture and livestock production and rendered many small producers bankrupt. The impact of imports on local bean production is dramatic: registered units of production dropped from 900,000 in 1991 to an estimated 650,000 in 2003, meaning that 27 percent of growers have gone out of business in the past ten years.

It is indeed a mockery of the sovereign rights of states that they must allow entry of food products that are abundantly produced in their country. Import of these products immediately impacts on the livelihoods of their small farmers, retailers and workers. However, dictates of the free market economy have no space to consider the absolute suffering of millions.

#### 3. Rising Income Inequality and Unemployment

In Mexico, income inequality increased during the free trade decade of the nineties. Household income that fell as a result of the devaluation in December of 1994 failed to recover during the NAFTA years. On average, household incomes in 2000 are 7 percent lower than their level in 1994. But the toll has been much heavier on the poor in the lowest tenth percentile, as their incomes in 2000 were still 21 percent below their 1994 levels. On the other hand, the highest tenth percentile has recovered about 90% of its 1994 income.<sup>12</sup>

According to World Bank calculations in 2000 using the Gini indicator, Mexico has one of the most polarized income distributions not only in Latin America but in the world. According to the World Bank, in Mexico "the marked inequality in the distribution of income …seems to be immune to the growth process and, up to now, resists political intervention."

The current dynamic in the Mexican countryside of importing its food and exporting its farmers has grave implications for food sovereignty - and this dynamic is the direct result of trade liberalization in agriculture. In Mexico, an important percentage of the EAP (Economically Active Population) has traditionally been employed in agricultural and livestock-related activities. Although it remains high, the percentage has

<sup>12</sup> INEGI (Instituto Nacional de Estadística, Geografía e Informática), Encuesta Nacional de Ingresos y Gastos de los Hogares, Aguascalientes, México, 1994 and 2000.

<sup>&</sup>lt;sup>11</sup> Indonesia, Cairns Groups and the Need for Regional Agrarian Countries' Initiative. Paper by Nur Hidayat, IGJ, during the APNFS Conference in Hyderabad, India, January 2003.

diminished markedly. In 1993, a year before Mexico's entry into NAFTA, 26.93 percent of the EAP worked in agricultural and livestock-related activities. By 2000, the percentage had fallen to 18.11.

According to the National Employment Survey of the Ministry of Labour, rural Mexico lost 1,782,068 jobs between the NAFTA years of 1993-2000. Over a third of the employment lost in the countryside was registered in the production of basic grains, as seen in the decline of farmers receiving payments from the Programme of Direct Support to the Countryside (PROCAMPO). In contrast to this situation, in the United States it was possible to create 190,000 new jobs in agriculture thanks to NAFTA. The number of people working in agriculture grew from 3,115,000 in 1993 to 3,305,000 in 2000, despite increasing mechanization.

This decrease in rural employment in Mexico was both foreseen and encouraged by neo-liberal planners, since new jobs were supposed to take up the slack. But the 6,151,175 jobs created have been insufficient to compensate for the loss in the agricultural and livestock sectors, considering that the job-seeking population grew by 10,765,395 over the same period 1993-2000.

Under indiscriminate trade liberalization in agriculture, Mexico arguably exports more farmers than farm products. In 2002, total remittances to Mexico came to 10 billion dollars, compared to 3.8 billion dollars in farm exports. A large proportion of remittances that migrant workers send home to Mexico derive from farm labour. Their labour has become a major source of supplementary income for farming households.

On average, 13.5 percent of farm households' income in Mexico today derives from remittances sent from the United States. The percentage rises for small-scale farmers hardest hit by free trade: farmers with fewer than two hectares derive 20 percent of their total income from remittances. Although the money is essential for their livelihoods, the price of family and community disintegration is high.

In most developing countries in Asia, accelerated trade liberalization has led to massive job losses in the agriculture sector. In 1998, the Philippines lost a total of 710,000 jobs in agriculture, representing a 6 percent reduction from 1996 agricultural employment levels. Since 1996, hundreds of thousands of rice, corn and vegetable growers have been displaced, with many ending up as contract growers or farm workers in multinational agri-business plantations. Many more have migrated to the cities, thereby worsening urban poverty. Recent studies show that the incidence of poverty has markedly increased, particularly in the past seven years, belying the optimism of free trade advocates that trade expansion and growth will lead to poverty reduction. In 2000, the poverty rate in the Philippines was 27.5 percent of the population compared to 25.0 percent in 1997. <sup>13</sup>

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<sup>&</sup>lt;sup>13</sup> Balisacan, Arsenio. Poverty and Inequality, in: The Philippine Economy: Development, Policies and Challenges, ed. by Balisacan, Arsenio et.al. Oxford University Press, 2003, p.322.

In South Asia, there is also massive unemployment in the rural sector. The number of landless are increasing and tenancy is on the decline. Even those who are tenants find they are unable to survive on this basis and try to find additional daily wage labour to supplement their income.

Due to Pakistan's policy of encouraging increased agriculture investments, foreign commercial fishing fleets that employ environmentally harmful techniques (such as three mile long metal nets) and have huge storage capacities are able to operate and encroach on its coastal waters. Reports from the Pakistan Fisher Folk Forum warn that more than two million fishermen will be rendered jobless. It is expected that these fish will be exported from Pakistani harbours, but also that a lot of the produce will be taken offshore. In the past few months, there have been reports that the price of fish has gone up exorbitantly such that even middle class and upper middle class consumers are unable to afford these food items. <sup>14</sup>

#### 4. Land and Asset Concentration

Based on the situation of the landless peasantry, it is easy to see that the reforms demanded by the AoA, specifically in relation to subsidy cuts in third world countries in general, have not considered the situation of vulnerable groups. South Asia is a highly patriarchal society, and women hardly ever have legal possession of land. The control and ownership of big landlords is immense. In this situation, tenants are forced to pay 50 percent of the cost of production, even though they are barely able to eke out a living for themselves from the land. As they are responsible for tilling and operating the farms, oftentimes they can ill afford the highly expensive inputs for agricultural production. With governments forced to remove domestic subsidies as part of their AoA commitments, small farmers and tenants have become immensely vulnerable to the vagaries of the market.

Certainly, the class divide between peasants and landlords continues to intensify, while another level of masters operating in the corporate agriculture arena has been added. There are indications that resource poor farmers will end up abandoning or giving up their land, thereby intensifying the livelihood issue as more and more people will have no access to employment. They will also have little ability to either access or produce food. The government has passed special labour laws for the agriculture sector, which guarantee a monthly Rs 2,000 wage. But nearly all other conditions of employment will be negotiated at the time of hiring and there is no doubt that corporate farming will employ highly mechanized and chemical intensive methods of agricultural production. This will have severe impacts. For example, wage labour will decrease dramatically as automatic water sprinkler system are employed over many hundreds of acres, combine harvesters gather the crops, and pesticides are sprayed from small airplanes.

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<sup>&</sup>lt;sup>14</sup> http://www.pakissan.com/english/news/2003/feb

There is no doubt that the declining condition of the rural sector is a result of the Structural Adjustment Programmes of the IMF-WB. Moreover, there can be no denying the fact that these policies are part and parcel of the capitalist agenda of maximizing profits. That extremely poor tenants have had to pay high taxes on fertilizers, diesel, electricity and pesticides has led to immense pauperization of the rural population. In Sri Lanka for example, the World Bank has been promoting freeing up land for privatization. According to it, most of Sri Lanka's 1.8 million small farm families produce paddy and food crops of low value. <sup>15</sup> This is the crux of the problem with respect to not only AoA in particular but the capitalist free market paradigm as a whole. What is 'low value' to the World Bank is actually food for millions of the Earth's inhabitants all over Asia and other rural economies.

In Southeast Asia, as government support for agriculture has markedly diminished under WTO, farmers faced with rising costs of production and low farm gate prices, have no recourse but to turn to unscrupulous traders and usurers. In many instances they have been forced to mortgage or sell their lands. The bankruptcy of many small farmers has also led to a reconcentration of land ownership. This has reversed whatever small gains were achieved in limited government land reform programmes. This has further exacerbated farmer's lack of access to land and other productive resources. Indonesia and the Philippines share similar experiences in land reform reversals, where land reform beneficiaries ended up selling their lands back to landlords and big capitalists.

The reduction of support by the Thai government to its farmers has resulted in higher production costs, lower income and further indebtedness. Small-scale farmers have on average an accumulated debt with both the Bank of Agriculture Association and Cooperative and other loan source of about 400,000 baht. Over 800,000 families nowadays can ill afford to continue working on their ancestral lands and the number of landless farmers increases by 4.05% a year. <sup>16</sup>

Today, the government of Thailand seeks to impose new policies [as demanded by the Asian Development Bank (ADB)] that will further hurt small farmers. These include charging fees for water that has historically been free or provided by the government, and changing the land reform law so that land rights can now be traded. "This means that land concentration has become more intense, where land is bought at will by rich people. Now the average amount of land owned by a person is less than one rai, which is less than half an acre." <sup>17</sup>

Similarly, the dramatic expansion of TNC-controlled commercial crop production, as well as the rise of export processing zones in Asian countries, have all the more deprived peasants and rural women of their access to land, water, seeds and other agricultural resources. Large tracts of fertile land have been converted into industrial sites, commercial establishments and real estate zones.

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<sup>&</sup>lt;sup>15</sup> World Bank. Non-plantation sector policy analysis. World Bank Report No. 14546 CE, March 1996.

<sup>&</sup>lt;sup>16</sup> No Future for Small Farmers Under the AoA. Paper Presented by RRAFA (Rural Reconstruction Alumni and Friends Association) during the APNFS Conference, May 2003 Bangkok, Thailand.

<sup>&</sup>lt;sup>17</sup> Prayong Doklamyai, Northern Peasant Federation. Presentation to the APNFS Conference, Hyderabad India. January 6, 2003.

# **5.** The Strengthening Control of Transnational Corporations and Monopolies in Agriculture

In agricultural exporting countries such as Thailand, the withdrawal of domestic support for agriculture has led to further control by trading monopolies. In rice for example, trade has been historically controlled by the patronage and monopoly system among middlemen. Farmers have no power to negotiate with them because the middlemen are the creditors who control the factors of production and determine both selling and purchasing prices of rice. As international competition is allowed increasingly to dictate the local market, small farmers are edged out of competition and bigger players and agents are now taking full control of food production and trade.

Faced with steadily declining world prices for rice owing to dumping and huge trade-distorting subsidies among competitors like US, Thai rice farmers face ever greater uncertainties. From 1995 to 1999, the price of Thai rice has declined from US\$ 357 per metric ton to \$273 per ton. In the past, the Thai government spent most of its domestic subsidies for agriculture in rice production. For example, in 1999 the government spent 16,282.81 million baht for rice. But now under AoA these subsidies, particularly those protecting farmers from severe price fluctuations, have been cut. Instead, farmers can access loans in the form of guarantee programmes that further push small farmers into debt. Inevitably, the bankruptcy of small rice farmers in Thailand has led to power concentration in the hands of traders and food exporters.

In Mexico, livestock-raising provides another dramatic example of the tendencies toward concentration. In dairy production, three local associations in the Highlands of Jalisco lost an average of 13 percent of their members between 1995 and 2002. In pig farming, 25 percent of farms have closed down due to foreign competition under NAFTA. Nearly a third of chicken production is now in the hands of transnationals.

Massive displacement in Mexican agriculture is due not only to less competitiveness with the United States but also to increasing concentration in the Mexican farming sector. Since the Mexican revolution and subsequent land reform programmes, agriculture has been a broad-based source of sustenance and employment for the rural population but this is changing fast.

#### 6. Increased Women and Gender Inequality

In Sindh, Pakistan, women work for 12 hours or more a day, picking approximately 60 kilograms of chilies, *tindaes* or other vegetables. They get paid only Rs 25 (less than US\$1) for the whole day of work. The willingness of thousands of women to work for such low wages shows their absolute need of money. Women will often take their daughters to work with them to help in picking vegetables or cotton. Children of agricultural day labourers work from 6:00 am to 6:00 pm, dividing their time between farm labour and household chores which include gathering wood, fetching water and looking after livestock.

Historically women have not been landowners in Asia, and specifically in South Asia. This is doubtless due to the patriarchal bias prevalent in societies the world over. However, when the family owns the land, women in the household play a major role in producing crops from it.

Rural women are considered the main producers of the world's staple foods, i.e. rice, wheat and maize. <sup>18</sup> In Asia, women produce 90 percent of the rice. In addition, they play a critical role in the production of secondary crops such as legumes and vegetables. They understand the critical need to grow high nutrition food crops such as millet, which are the source of energy to carry out the backbreaking work in the fields.

Women, especially indigenous women, are the keepers of knowledge passed on from one generation to the next. They are not only often responsible for preserving the best seeds, but preserve traditional methods of healing through herbs and plants, as well as pest control to save their crops. For instance, a mixture of garlic and chilies, or cow dung, or ash is commonly applied by women to their vegetable patches to keep them safe from pests.

It is women who will not only take care of the livestock but play an active role in breeding them. In Pakistan, rural men have a saying that a woman may forget to feed her husband but will not forget to feed her animals. These are considered an asset for the household, to be sold in difficult times. In many cultures, women will also ensure that when their daughters marry, they take livestock which may include goats, sheep, and in more prosperous families, cows and buffaloes as part of their dowry. Women not only have livestock but also keep poultry to provide their families with milk and eggs.

In Mexico, national census information shows that women make up some 11 percent of the heads of family in the rural sector and 10 percent of agricultural workers. <sup>19</sup> But women's productive work in agriculture continues to be mostly statistically invisible — the real rate is undoubtedly far higher and growing with rural out-migration. In coffee production, women are crucial in the depulping, washing and drying of beans, activities that can be combined with domestic responsibilities.

Evidently, under an increasingly liberalized trade regime, women find it doubly hard to juggle their time between their productive and reproductive activities. Women, who traditionally attend to farming and livestock rearing, are forced to work part-time providing domestic services, vending or even selling their labour in plantations or contractual work to augment family income. These activities remove women from the home and break up the traditional family productive unit. While that is not necessarily negative, it can in the context of extreme scarcity and exploitative work options lead to unbearable workloads, increased child labour and family disintegration.

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<sup>&</sup>lt;sup>18</sup> Madeley, John. Food for all: the need for a new agriculture. The University Press, Bangladesh, 2002, p. 92.

<sup>&</sup>lt;sup>19</sup> INEGI III. Conteo de población y vivienda 1995. Estados Unidos Mexicanos. Resultados preliminares, INEGI, México, 1996, pp.1045-52.

There is now overwhelming data, particularly from all economies of South and Southeast Asia, that trade liberalization has led to migration as well as sex trafficking of women from the poorest sectors of the rural economy. Policy analysis cannot always maintain a clear demarcation of the causes and effects of one particular policy from another.

#### 7. Deterioration of the Environment

The conversion and expansion of the export model of agriculture in Mexico has had severe environmental impacts. Fruit and vegetable production has spread to land formerly dedicated to corn production. A hectare of corn receives three to seven units of pesticides a cycle while a hectare of produce requires up to seventy units. Therefore, conversion to produce entails contamination by pesticides of ten to twenty times that of corn.

The use of modern technology that entails the intensive use of plastic, both as weed tarps and as tape used in drip irrigation systems, poses a grave problem for waste disposal since they are not biodegradable. In Vizcaino, which is a biosphere reserve, huge quantities of plastic wastes are simply dumped along the dirt roads that lead to the farms. Due to SAP, the government cannot enforce compliance with environmental regulations due to budgetary restrictions, so export farmers often contaminate the environment with impunity.

Another serious environmental impact derives not from the changes in patterns of production brought about by unbridled global competition, but from increased agricultural trade. In Mexico, private and public studies have confirmed the presence of Genetically Modified (GM) traits in local corn production in the states of Oaxaca and Puebla. Since the country bans sowing GM corn, imports are likely the culprit. Mexico imports five million tons a year of corn from the United States and an estimated 25 percent of that corn is genetically modified. The discovery of GM contaminated native varieties is particularly alarming since Mexico is internationally recognized as the centre of origin of maize and hosts a wide diversity of varieties specifically cultivated to adapt to local climatic and culinary needs across the country. Corn cross-pollinates freely so the supposition is that some of the imported GM grain was planted (intentionally or non -intentionally) and cross-pollinated with native varieties. If this process continues uncontrolled, the nation — and the world — could lose the invaluable in situ genetic resources in maize that has been developed and protected for centuries by local communities.

In Pakistan, the impending commercialization of GM seeds likewise poses grave environmental threats. There is bound to be increased pollution of the environment due to extensive use of chemical fertilizers, widespread poisoning of lands and water systems due to aerial spraying and plantation of genetically modified crops. The Plant Breeders Rights Act is being deliberated in the Senate to allow the use of GM seeds. The Act is Pakistan's compliance under the WTO-TRIPs agreement.

#### II. The Stakes at Cancun

The agriculture negotiations mandated under Art. 20 of the AoA and begun in 2000 aim to continue the "reforms" in global agriculture trade. The negotiations, currently in their third stage, are supposed to define the modalities for drawing up new rules in global trade in agriculture. These modalities should have been finalized by March and new rules and further commitments by members are supposed to be signed in September 2003 at Cancun. With barely a month left to reach agreement on these modalities, the outcome of the negotiations looks extremely bleak, particularly for developing countries that have pinned their hopes on developing a process to address the existing inequities and imbalances in the agreement.

As mentioned earlier, the existing Agreement on Agriculture is one of the most iniquitous in the WTO. It runs roughshod over the rights of peoples and nations to protect their food security, food sovereignty and livelihood security.

The revised Harbinson text on the modalities for a new agreement does not depart much from the AoA's nearly exclusive focus on market access, even as it continues to provide protection to trade-distorting subsidies and agricultural dumping practices of developed countries. It clearly fails to address the fundamental imbalances of the AoA. While it provides conditions for Special and Differential Treatment (SDT) among developing countries, these remain inconsequential as the roots of their marginalization in the global market are not attacked. In fact, dumping and massive distortion of the markets will be perpetuated and legitimized under the Harbinson modalities.

There are two important reasons why the Harbinson text, like the AoA, will have the same devastating impact on developing countries.

First, it fails to take into account existing asymmetries. Like the AoA, the Harbinson text emphasizes greater market access by proposing a "harmonizing" formula for the further reduction of tariff rates, either gradually or abruptly, on the foundation of enormous and unresolved asymmetries between nations and between sectors within nations. The idea of Special and Differential Treatment –to the degree in which it has been defined— merely reduces tariff reduction requirements for developing countries, often on the basis of already low tariff levels. While this approach is considered inadequate by many underdeveloped nations, the U.S. considers it excessive. Another mechanism designed to address asymmetries is the ability to exempt certain crops as Special or Strategic Products. But this mechanism is also limited by the fact that such crops would be determined by conflicting interests within the WTO, rather than by national rural development policies.

Therefore instead of creating a level playing field, this approach leads to the establishment of permanent disparities. As in geological erosion, evidence from developing countries indicates that economic integration only deepens the valleys: Mexico, for example, has seen a constant erosion of small holder livelihoods, environmental quality, biological, cultural and agricultural diversity, and consumer rights.

Second, it perpetuates dumping practices while denying defensive tools to developing countries. Export subsidies would be phased out instead of ended. Little is done to prevent indirect export subsidies from being shifted to uncontrolled Green or Blue Box measures. These often end up having the same net effect of encouraging overproduction and displacing developing country farmers in their own market. Domestic agricultural support in OECD countries has actually grown under the AoA, from 280 billion dollars in 1997 to 360 billion dollars for 2002.<sup>20</sup>

Equity in international agricultural trade cannot begin until dumping is prohibited. This must include eliminating export credits and subsidies in developed countries. It also requires regulation of transnational trading oligopolies that create price distortion.

Income support payments also contribute to dumping on world markets, but they have very different practical functions in developed and developing countries. In net food-exporting nations, they serve primarily to subsidize traders by lowering the price they have to pay producers, encouraging overproduction and enabling them to increase volumes sold abroad. In countries like Mexico where over half of farms produce for family consumption, supports could mean the difference between a child starving or not.

The stakes at Cancun are high. More than 800 million people in developing countries continue to suffer from hunger and starvation. Millions of small-scale farmers are being displaced by dumped imports. Massive poverty and high unemployment rates confront developing countries that have pinned their economic recovery hopes on increased trade and investments. Agriculture, which has been the traditional source of subsistence and livelihood for the majority of people in developing countries is being battered by an unjust international trading environment that recognizes only profits for transnational corporations. Oftentimes, it is further stunted by national government wholesale support and even active defence of the neo-liberal policies of IMF-WB and the WTO. These considerations make the agriculture negotiations at Cancun its most crucial and difficult development concern.

#### 1. Issues and Demands

As the impacts not only of the AoA but of the market liberalization agenda of the Northern states and Bretton Woods institutions have wreaked havoc on third world agriculture, social movements and farmer organizations in Asia and Mesoamerica have put forward concrete demands and proposals to confront this global crisis:

#### 1.1. Mesoamerica

For most Mexican farmers, NAFTA has been the most visible manifestation of trade liberalization and the agreement that has most directly affected them. As Mexico pre-

<sup>&</sup>lt;sup>20</sup> Glipo, Arze. An Analysis of the WTO-AoA. Review from the Perspective of Rural Women in Asia. Paper presented at the International Workshop on the review of the WTO-AoA, February 19-21, 2003, Geneva, Switzerland.

pares to host the WTO Ministerial Meeting in Cancun, many are linking the WTO process with the regional trade agreement. Recognizing that both share the ruling principles of market access, the globalization of trade and production of food, and double standards for developed and developing countries, these groups are becoming more vocal in their opposition to the WTO Agreement on Agriculture negotiations.

Mexican small farmer organizations and civil society groups have called for an immediate end to dumping, the elimination of export subsidies in all forms, and for governments to exercise the right to apply safeguard mechanisms or protective measures when deemed necessary. In February 2003, over 100,000 small farmers and supporters marched in the nation's capital to protest conditions in the countryside. For the first time in a major mobilization, trade issues figured among the major demands. The movement, called "The Countryside Can't Stand Anymore" demanded renegotiation of the agricultural terms of NAFTA and government support programmes. <sup>21</sup> Currently these organizations plan to take part in the protests and fair trade events in Cancun. At a recent international seminar, Mexican organizational members of Via Campesina reiterated their position in favour of removing agriculture from the WTO altogether, 22 while organizations that form part of the movement traditionally allied with the former ruling Institutional Revolutionary Party (PRI) advocated reforms to the WTO.<sup>23</sup> Either way, the Mexican experience shows that if WTO protests are not coupled with resistance to iniquitous bilateral and regional trade agreements, the end result for developing country farmers is the same or worse. Therefore, the struggle to renegotiate NAFTA and defeat the proposed Free Trade Agreement of the Americas remains a top priority.

In this context, the basic demands for reforms to the current agricultural and trade regime include:

- Farm support programmes based on human needs, that incorporate the goals of gender equity, and respect farmers' rights — above all the right to farm, the right to a decent standard of living, and the primacy of food security and sovereignty in national policy.
- The right to legislate and enforce national environmental and health standards, even when these are higher than international standards, or those of partner nations. While GM corn contamination erodes biodiversity, forcing GM crops on sovereign nations erodes democracy as a non-democratic, non-elected international trade organization—the WTO— is attempting to impose the lowest consumer standards on citizens of democratically elected governments. Neither form of erosion is acceptable. On this point, it is very important to Mexico and other centres of origin that the EU stand up to the United States in the challenge to the GM crop moratorium.

<sup>&</sup>lt;sup>21</sup> Carlsen, Laura "The Mexican Farmers' Movements: Exposing the Myths of Free Trade", at: www.americaspolicy.org
<sup>22</sup> Declaration Via Campesina August 2003

<sup>&</sup>lt;sup>23</sup> Perez, Mathilde. Productores rurales de América rechazan el ALCA, que privilegiará a EU. La Jornada, 24 August 2003.

- Impact studies based on real experience. Models designed to measure the impact
  of trade liberalization on agriculture have proven wrong in their predictions of increased commodity prices, reduced developed country exports and improved agricultural trade balances. Among other aspects, they have ignored market failures
  due to concentration of transnational traders. Studies must include this aspect as
  well as integrating non-trade concerns.
- Commitment to preserving the multifunctional character of agriculture in a real and global way. The EU commitment to multifunctionality has so far been restricted to permitting measures that support developed country agriculture. Although non-trade concerns are even more vital in developing countries, no provisions have been made to support them where national government funds are insufficient. Even more important, there is no recognition of the impact of dumping on the ability of these countries to maintain agricultural activities that ensure global values such as environmental conservation, employment and food security.
- Democratization of international trade regulation, including correction of the under-representation of Least Developed Countries, in most cases the most reliant on agriculture.

#### 1.2. Asia

In Asia, it is not surprising to see a growing movement that outrightly demands the WTO withdraws from the domain of food and agriculture. For these movements, reforming the WTO, however meaningful it might be, would be insufficient since it is inherently flawed from the outset.

In the Philippines, Indonesia, Thailand, India, Pakistan, and Bangladesh where rapid trade liberalization practically demolished small-scale agriculture, popular support for agriculture to be removed from the WTO is emerging from the ranks of national farmer organizations, small fishermens' associations, indigenous communities and rural women's movements. National peasant movements are strong in these countries and are leading the movement to dismantle the WTO and its oppressive trade agreements, particularly the AoA and the TRIPs agreements.

Social movements, networks and organizations at the regional level support this call, some even calling for derailing the Cancun meeting. This position, advanced by the Focus on the Global South, is situated within the strategic goal of halting and reversing trade liberalization by "unhinging the game plan" of free traders to further expand the powers of the WTO at Cancun.<sup>24</sup> The tactical plan is to prevent countries from reaching agreement during the Ministerial Meeting in any of the areas that are being negotiated or about to be negotiated such as in agriculture, industrial tariffs, services and the new issues.

<sup>24</sup> Bello, Walden. Deglobalization: Ideas for a New World Economy. Zed Books, London, 2002.

Other groups, notably the Asia-Pacific Network on Food Sovereignty (APNFS), a regional network of national peasant organizations, social movements, development NGOs and consumer groups, call for advancing the people's right to food sovereignty as a way of removing WTO from the domain of food and agriculture. The specific content of their call includes the following:

- Expose the WTO-AoA, its inherent flaws and inequalities, and the proposed modalities as "more of the same" AoA.
- Develop national policies on agriculture and trade within the alternative framework for food sovereignty. These policies should be able to protect small farmers' rights and livelihoods and will strengthen their access to and control of their productive assets. Most immediately, in order to halt massive import surges and protect small producers from dumping, national governments need to install protective measures such as higher tariffs, imposition of import quotas and other safeguard measures. Further, governments should seek the exemption of staple food crops and other crops strategic to food security and the livelihood security of small farmers from the AoA.
- Demand the immediate elimination of domestic support and export subsidies in developed countries that result in chronic dumping of agricultural commodities.
- Demand greater accountability and transparency in policy formulation whether at the multilateral or national policy levels.
- Demand increased support and subsidies in agriculture to secure food security, address hunger and improve incomes of small farmers. There should be strength-ened public sector investments in agriculture, particularly in the food crop sector. Policies on price stabilization, price support, food stockholding, food distribution and public investments in agriculture need to be revived and strengthened as these measures are highly critical to achieving rural development, food security and food sovereignty. Demand an immediate halt to the privatization of state food trading and distribution enterprises.
- Finally, demand the immediate implementation of a genuine agrarian programme ["land to the tiller"]. Farmers should have control over capital and productive assets. This should also include the development of ecologically-based or sustainable agriculture systems to improve small farmers and artisanal fishermens'livelihoods.<sup>25</sup>

Other groups that have pioneered the term "food sovereignty" in the region are the Pesticide Action Network (PAN) - Asia Pacific, IBON and Via Campesina. Like all the groups calling for the dismantling of the WTO, these groups believe that small farmers and landless peasants can never compete within the corporate agriculture paradigm of the WTO and, indeed, to force them to do so would jeopardize basic so-

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<sup>&</sup>lt;sup>25</sup> Asia-Pacific Network on Food Sovereignty. Statement of Unity during the APNFS Regional Conference. Bangkok, May 26-28, 2003.

cial goods provided by small-scale agriculture, including rural employment, agricultural and biological diversity and a secure food supply. Under the AoA, the dual system of subsidies for the Northern producers and traders (in other words monopolistic transnational corporations), and then allowing these very traders market access to Southern states, takes away any chance the small farmers and peasants may have to produce more economically than their giant, heavily subsidized TNC competitors. Hence, these groups demand the right to food sovereignty, which basically means the fundamental right of the tillers to retain control over all means of production including land, seed, water and other natural resources.

The groups advocating food sovereignty are united on the strategic goal of getting the WTO out of agriculture, but differ on tactical objectives. Some include an active engagement with national governments in their campaigns in order to exact greater accountability and negotiating positions that will provide protection and relief to poor peasants whose livelihoods have been wrecked by dumping and unfair competition under the AoA. The APNFS, for example, would have members active in monitoring, lobbying and advocacy with the tactical objective of pushing government officials, country negotiators and legislators to take up strong and independent policy positions favouring the poor peasants and vulnerable groups, not only in multilateral negotiations but in national legislation. While APNFS members appreciate the limits of these actions, they nevertheless view them as contributing to the over-all design of weakening if not dismantling the neo-liberal institutions and their onerous obligations and unjust agreements that perpetuate the asymmetry between the highly developed agriculture in the North and the backward, underdeveloped and subsistence agricultural system in the South.

Others, particularly the national peasant movements that include those within the international Via Campesina network, would, because of their location in their national struggles, reject any engagement with governments. They view their governments as nothing but spokespersons for and protectors of giant corporate and landed interests. This is understandable in that many governments in Asia and Mesoamerica have historically represented only the wealthy and powerful elites in their countries. If there have been government programmes intended to benefit poor peasants, such as the controversial land reform programmes, many of these were limited, ineffective and riddled with loopholes that eventually led to a full reversal of whatever benefits they initially generated. Thus, despite decades of agrarian reform and agricultural modernization pushed by national governments, many of the predominantly agrarian societies in both regions still contend with enormous income inequalities, highly skewed patterns of land ownership, and backward and subsistence farming that result in perpetual poverty for the majority.

The food sovereignty position, as it requires a fundamental shift from the dominant free trade paradigm, is basically different from the food security position being advocated by some NGOs in the region, most notably by Northern NGOs. Among NGO's, advocacy for food security has its roots in widespread opposition to SAPs and the export-oriented model of agriculture they imposed on developing countries in the 80s. With the enforcement of AoA in the mid-90s, this position focused on the devastating impact of WTO on small farmers' livelihoods and food security. It therefore advo-

cated substantial reforms to the agriculture agreement. Advocates of food security have been calling for reforms within the WTO to make it work for the poor.

In 2001, CIDSE, a coalition of Catholic funding agencies in Europe, published a policy paper on food security and the WTO that outlined several recommendations that will help to ensure that the WTO and AoA promote development and food security among the world's poorest countries and communities. The proposals included, among others: the reduction of excessive levels of domestic support and export subsidy in developed countries, increased access for developing country exports, increased flexibility for developing country governments to protect and support small farmers, and overhauling the Marrakesh decision. To ensure that development objectives are met within the multilateral framework of negotiations, CIDSE then called for WTO to adopt the World Food Summit 1995 goal of halving world hunger by 2015. The proposal for Development Box also figured prominently in CIDSE and its members' advocacy position.

Partly in reaction to misuse of the food security concept by the WTO and international food institutions such as the FAO, many anti-WTO activists started to use a more precise term that would capture their advocacies and struggle against the WTO as well as the global structures of economic dominance and control. Thus, food sovereignty came popularly to mean not only the struggle for food security and food self-sufficiency, but more comprehensively the assertion of people's rights to chart their own food and agriculture policies, to protect and regulate domestic production, and to have access to and control of their land and productive resources to achieve sustainable development objectives.

To the degree that food sovereignty incorporates fundamental questions of economic sovereignty, land reform, women's rights and small farmers' rights, it has become a more comprehensive platform for advocacy among those seeking fundamental changes in the national and global order. To the extent that it advocates a new development paradigm that rejects the rigidity of free trade and the export-oriented industrial agriculture model of the North, many accept its relevance to third world conditions.

Within advocacy for food security, there are also groups using the "human rights" approach. The "right to food" is located within international human rights law, which provides the legal framework under which the right to food could be enforced. Under this framework, states are liable if the rights of citizens are not met. The right to food approach has been used in various countries in the region including India. As the country suffered from drought in the past few years, various organizations have used Article 21 of the Indian Constitution that promises "right to life" to advocate the right to food. Organizations have demanded the use of surplus food stored by the Indian government in warehouses to relieve hunger among drought victims in Orissa. However, this position has problems that derive from the value systems of societies in the South that function largely within community or family paradigms. In addition, it does not consider the fact that agriculture and food production are both a science and an art

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<sup>&</sup>lt;sup>26</sup> Food Security and the WTO. A CIDSE Position Paper. Brussels, September 2001.

practiced by millions in the South. Hence along with the right to food must come the right to livelihood to produce one's own food.<sup>27</sup>

"The South Asian Statement of Concern", a position paper drawn up by the South Asian Network on Food, Ecology and Culture (SANFEC) reflects this concern. According to SANFEC, "Foods are not simply objects of consumption. They are rather elements of rich and complex food systems. . . . Defending the diversity of food systems is tantamount to defending our diverse natural and cultural environment. The food aid through PL480 . . . the nature of the Uruguay Round negotiations on agriculture are clear examples of what Northern states mean by "food security."" For SANFEC, food security means "freedom of communities from the global domination of food production and food marketing by a few nations through a handful of transnational agro-business companies." In essence, the term food security defined by SANFEC encompasses the demands now encased in the food sovereignty debate. SANFEC clearly does not believe that access to food is food security, it goes the final length in stressing the fact that production of food by communities is part and parcel of food security.

#### 1.3. Differences and Common Ground

As manifested by the level and depth of advocacies and struggles against WTO and neo-liberalism in Mesoamerica and Asia, it can be said that both regions have strong social movements that are founded on a strong grasp of their specific economic, social and sectoral conditions, and a comprehensive analysis of the nature of the WTO and its lop-sided agreements. These movements are leading widespread opposition not only to trade rules imposed by WTO and Free Trade Agreements but also to the neo-liberal economic reforms being implemented by their governments.

Both regions have strong anti-globalization and agrarian reform movements backed by popular support from the peasantry. While the focus of the movement in Mesoamerica is more on NAFTA, this is equally significant as NAFTA is an FTA between a developing country and the world's largest producer of agricultural surpluses. It therefore epitomizes the inequity of free trade regulations in the region. In fact, the huge mobilization of peasants early this year in Mexico points not only to the epic proportions of the crisis bred by NAFTA, but also to the overwhelming will of the popular majority to resist any further onslaught on their farms and livelihoods. A strong antiglobalization movement in each region, and a strong solidarity link between the peasant and social movements in these two regions, could contribute to strengthen the

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<sup>&</sup>lt;sup>27</sup> Nevertheless it is argued by groups using the "right to food"-approach that 1. the debate on "the right to food" has started to get more ground than here reflected and that social movements have already started to use the rights terminology ("farmers rights", "right to food sovereignty"). 2. The need to see "the right to food" for vulnerable or marginal groups as a collective right has been already agreed in the human rights setting. Nevertheless the "right to food" has also to be individualistic because even in family settings, many discriminations can be found (i.e. it are mostly women and girls who have no right to access to land and get the least portion of food in the family).

<sup>&</sup>lt;sup>28</sup> South Asian Network on Food, Ecology and Culture (SANFEC). South Asian statement of concern on food, ecology and culture. Narigrantha Prabartana, 2001, p. 18.

global movement for the removal of agriculture from the WTO, at the maximum, and at the minimum to halt and even reverse further trade liberalization in agriculture. In both regions, the struggle by peasants for land and food remains at the core of the struggle against WTO and globalization.

In the main, while there are marked differences between and among groups campaigning against the WTO - particularly between those that are advocating reforms within the present paradigm (e.g. food security and development box proposals) and those who want a fundamentally different paradigm (WTO out of agriculture) - common ground has been developed around exposing and opposing the WTO, and pressuring national governments to push for progressive positions in the trade negotiations. On many occasions, these groups have collaborated on campaigns and lobbying work. For example, during the past Ministerial Meetings, these groups converged to present a broad people's opposition to WTO through mobilizations and public fora, such as in Seattle, and to exert pressure upon developing countries to thwart concerted efforts by developed countries to include new issues such as investment under the ambit of WTO. In February 2003, various groups - social movements, national and international peasant movements, NGOs, trade watch groups, international donor agencies, consumer groups, etc.- gathered in Geneva to declare their rejection of the Harbinson text on modalities. Recently, these organizations have been brought closer through the organizing processes leading up to Cancun.

Besides broadening the opposition to WTO and reversing its aggressive trade liberalization agenda, cooperation between and among North and South NGOs to increase pressure on developing country governments to cease any further commitments to the AoA need to be strengthened. Significantly, the social movement's widespread critique and opposition to WTO-AoA rules at the national level has compelled governments to present well-meaning positions in the negotiations. Research and lobbying by international NGOs has also contributed to strengthening the capacities of developing country negotiators, and in encouraging positions that favour small farmers in the South. However, both these efforts should be strengthened to develop a system that provides greater protection to poor peasants.

Another important area for cooperation would be to bring pressure to bear on developed country governments. Northern NGOs can help to educate and encourage their progressive politicians to push for sustainable production and trade that will benefit small-scale farmers in the South. This is of course a more complex matter given that Northern agriculture and trade policies have resulted in massive dumping and continue to pose great trade barriers through such criteria as environmental standards and phyto-sanitary measures. A common advocacy would have to be developed that would reduce unsustainable production in the North that relies on massive external inputs and monocultures.

But ultimately it will be the strength of an empowered people that will generate the political will of nations to defend their economic and political sovereignty against pressures from rich nations like the EU and the US.

The scenario of a complete break-down of the WTO process, as in Seattle, is one tactical rallying cry among NGOs and social movements. This would have the desired effect of both prohibiting further one-sided agricultural trade liberalization and blocking the dangerous expansion of WTO powers into other areas that also have a profound impact on agriculture and food, such as intellectual property and services. It would also force a more fundamental debate on the impact and direction of globalization. On the other hand, we must realize that a break-down could leave a regulatory gap that would require the proposal of serious alternatives.

#### 2. Anticipated Changes to the AoA

With barely a month left before Cancun, the agriculture negotiations remain at a standstill. The Harbinson's memo that came out in early July pointed to many unresolved issues that still hound the negotiations, three years after they began. Harbinson's proposed modalities remain unacceptable to the major players, primarily the EU and Japan. Developing countries view it as a betrayal of the Doha mandate to incorporate specific, effective and operational SDT provisions for developing countries so that their development concerns are substantially taken into account in the negotiations.

Although highly controversial, the Harbinson text on modalities remains fundamentally attuned to the "fair competition" paradigm of the US and the developed countries, which seeks expanded market access and lower trade barriers for their agricultural exports even as it remains religiously loyal to the rich country agenda of protecting their trade-distorting subsidies. While the text seeks the elimination of export subsidies, it offers a gradual phasing-out period that could provide developed countries ample time to shift their subsidies elsewhere. It is likewise surprisingly silent on domestic support, particularly on Green Box subsidies, where highly trade-distorting support to agriculture in the US and EU has been effectively hidden. It is also silent on another major issue: the use of food aid and export credits as instruments to provide subsidies for US agriculture exports. Its proposal for a harmonized formula for tariff reduction, which seeks deeper tariff cuts for higher tariffs, reflects the aggressive US trade liberalization agenda. This is supported primarily by the Cairns group of agricultural exporting countries.

While contentious issues between and among the major players dominate and continue to bog down the agriculture negotiations, these are in fact secondary. Despite them, developed countries collectively are still determined to further open up and expand markets in developing countries to counter the persistent crisis of overproduction in their own countries. The real conflict lies between developed surplus-producing nations and the developing countries. Nonetheless, in many cases developing country interests have been split by their governments' narrow pursuit of trade interests while ignoring the non-export sector. Their position not only weakens them *vis-a-vis* the powerful developed countries, but also runs the long-term risk of disarticulating the production of basic foods.

The lack of progress in the negotiations so far, in terms of substantially addressing the development concerns of poorer countries, may clearly have dire consequences for food and livelihood security among the rural poor. Developed countries led by the US and EU, while extolling fair competition and calling for the elimination of trade distortions, continue to resist developing country proposals for reforms and rebalancing mechanisms in the new AoA.

Earlier proposals by developing countries to address the existing imbalances in the agreement have been effectively sidelined in the negotiations. Even those that have been accepted have been severely watered down. For example, the proposal by the Philippines and Argentina on countervailing mechanisms that would allow developing countries to impose higher tariffs on subsidized imports to an amount equivalent to the trade-distorting subsidies provided by the North was completely disregarded in the Harbinson text. Nor was the proposal by a group of developing countries from Latin America and South Asia for a new Special Safeguard Mechanism (SSM) that would allow poor countries to take temporary border measures in the event of import surges or drastic decline in world prices considered.

Instead, what the Harbinson text has produced are very much weaker proposals on Special and Differential Treatment in the form of Special Products (SP) that allow developing countries a short list of Special or Strategic Products which they can slap with a lower tariff reduction. But this ignores the fact that many developing countries already have very low tariff rates that have been unable to protect their small farmers from import surges and dumping. The Harbinson proposed SSM is available only for the short list of strategic products declared by member developing countries. But such access to the SSM is also conditional upon a review of the current SSG and also allows the possibility of extending the use of this mechanism by developed countries.

Developing countries, who earlier in the negotiations showed stronger determination to address the imbalances hounding the AoA, have now retreated to a more pragmatic position. Many are now hinging their positions on Harbinson's proposal for SP and SSM, but with the added provision that SP should be self-declared and self-determined and that both mechanisms should be the exclusive recourse of developing countries. The U.S. actively opposes both these demands.

The Philippines, Indonesia and 14 other developing countries have recently formed the Alliance for SP and SSM amidst criticisms from both developed countries led by Australia and developing countries in the Cairns group that these mechanisms are grossly protectionist and regressive.

Given the rabidly pro-trade liberalization stance of the US and developed countries, and their strong resistance to even limited AoA reforms, the prospect of achieving a well-meaning and effective SDT for developing countries is growing dimmer. Many developing country negotiators have already expressed their disgust and frustration over how the negotiations are being steered towards meeting the developed countries

interests while remaining blind to the development needs of poorer countries. This has even led one negotiator to declare, "one country's policy measures to attain sustained food and livelihood security and rural development cannot be competently dictated nor prescribed by any multilateral negotiation."

Thus, proposals for more substantial reforms within the WTO such as the Development Box and Food Security mechanism that would allow developing countries to exempt their strategic and food security crops from further tariff reduction may find it doubly hard to be translated into developing country positions due to the undemocratic nature and the under-representation of poor countries in the WTO. Even if they do get adopted, this would only tend to create exemptions and conditions within the general logic of market access without challenging the fundamental commitment to global integration. In the case of developing nations, the driving logic should therefore be development and human welfare rather than market access. This has been amply demonstrated in the Mexican case where trade increased while basic social indices dropped.

Given all these considerations, the possibility of failing to reach an agreement on the modalities at Cancun looms large. A missed deadline will seriously set back the trade "reform" agenda that is being pushed by the US and the EU. Hence, we see vigorous efforts from the WTO and the developed countries to move the negotiations forward-bilateral agreements, the mini-ministerial in Montreal, etc- in the run up to Cancun. Developing countries must expect to receive increased pressure from Washington. As in past negotiations, we may see hard-hitting negotiators withdrawn suddenly from their Geneva offices, and development aid, military assistance and other forms of bribery, including bullying tactics that only an opaque and undemocratic institution like the WTO can resort to, employed as means to soften the position of developing countries. And if no substantial agreement can be reached on the agriculture modalities before and at Cancun, the meeting can still produce a political declaration in favour of the US and developed countries' position that will move the negotiations forward.

The challenge at Cancun is therefore to intensify pressure at the national government level so that they can steadfastly defend their sovereign rights and the rights of their peoples to food security and food sovereignty. Developing countries need to close and strengthen their ranks to assert their national interests in favour of their poor farmers and agricultural workers. There is also an urgent need for developing countries to block the new issues of government procurement, investments and competition as these will severely limit their control and management of their economies.

Certainly, development is achieved not by begging for crumbs from the giants in global trade, but by instituting one's own development policies and programmes free from the dictates of an international trading regime that caters only to the desire for profit of transnational corporations. But genuine rural development that meets not only the basic needs of small farmers and women but enables them to exercise their rights and freedoms to achieve their full potential as human beings while also protecting the resource base for sustainable production, can only come from truly democratic governments exercising their political will to protect their agriculture and

economies from the onslaught of trade liberalization. Hence the challenge is not only to rectify a grossly unjust trading regime ruled by the WTO but to transform political and economic structures at the national level that continue to prop up elite, undemocratic and anti-poor governments.

This is where the national and sectoral movements as well as international organizations and lobby groups can work to help each other. Civil society groups at the national and regional level should provide sustained pressure on the home fronts, particularly with their government heads and ministers who will represent their countries at Cancun, while the international lobby groups and social movements continue to apply pressure at the top and at the developed country government levels. A comprehensive strategy is needed as in past Ministerial Meetings. Otherwise the US and other majors can again be expected to brazenly and arrogantly pull and cut strings, whenever and wherever needed, in order to force developing countries to toe the line.

While a lack of consensus at the coming meeting will temporarily de-rail the goal of the WTO for more expansive powers, such an outcome would raise other possibilities that civil society groups need to factor in. For example, in the context of growing US unilateralism and military hegemony, the US may not actually need multilateral regulation to enforce its trade agenda. Being the country with the highest stake in free trade, US policy and strategy has been to negotiate bilateral trade agreements. In the event of WTO failure to enforce its police powers, the US will have other cards to play. This demonstrates the perils of leaving developing nations to negotiate individually.

This underscores the need for a multilateral system for international trade that however should reject the narrow framework of WTO's free trade paradigm. The new trade regulations should necessarily reflect the desire of nations, particularly the poorer nations, to economic self-determination and sustainable and mutually beneficial trade.

### III. Towards an Alternative Framework

An alternative framework must begin by replacing blind allegiance to the market with two fundamental goals: national development and food sovereignty.

#### 1. Free trade vs. National Development

At its root, the development debate is not a debate between free trade and protectionism. It is a debate between the imposition of free trade rules and the need to pursue national development and well-being in the context of globalization. As free trade steers developing countries towards increasing inequity, and concentration and polarization of wealth, developing nations need to respond with policies that assure each citizen a basic standard of living. The Agreement on Agriculture, like NAFTA, binds national policy-making in a strait jacket just when developing countries must respond to new and dangerous challenges. At the same time, it exacerbates threats to food sov-

ereignty, and eliminates important strategies of survival in the countryside that not only guarantee livelihoods but also support cultural, agricultural and biological biodiversity.

Organizations of small farmers in developing countries have articulated a broad range of recommendations that must be considered to address the basic inequities of international trade in agriculture, and to protect the many roles rural production plays in society, including employment, food sovereignty and security, foreign exchange generation, cultural preservation (particularly for indigenous cultures) and allocation of natural resources. The recommendations present a fundamental challenge to the logic of free trade. Thus: International trade rules should promote human well-being and minimize conflict. They should not impose a free-trade system, because there is no global consensus that this is the only, or best, road to development and equity. Rather, experiences like Mexico's indicate that it is a road fraught with perils and high human costs.

Even optimal international trade rules will not solve problems of rural development due to the complexity of local and regional conditions and non-trade concerns. Only national integral development policies can turn back tendencies. Domestic policy is a battle that must be fought on its own turf by the rural citizenry in the context of a responsive and democratic state. By tying the hands of national governments, the WTO will only exacerbate the crisis in the countryside and undermine democratic processes.

#### 2. Food Sovereignty

Food sovereignty, as advocated by various groups, encompasses the rights of small farmers, farmworkers and other dispossessed rural sectors to sustainable and secure livelihoods; to own and control land and other productive resources; and to have access to adequate, nutritious and safe food at all times. Moreover, food sovereignty secures the sovereign rights of nations and peoples to define their own food, land, fishing and agriculture policies which are ecologically, socially, economically and culturally appropriate to their unique circumstances, needs and demands. In sum, food sovereignty is the primacy of people and community rights to food and food production, over trade concerns and business profits.

But food sovereignty does not only mean the capacity and the rights of nations, peoples and communities to define their own agriculture and food as well as development path. It also includes their capacity to engage in cooperation with other nations and communities for mutually beneficial and sustainable agriculture, trade and production. Food sovereignty therefore does not negate trade but promotes trade that genuinely meets the criteria of food security, livelihood security, sustainability and rural development.

As emphasized several times, the key to achieving food sovereignty is land reform. In Asia, the challenge of implementing a truly redistributive land reform programme is enormous, as rural poverty and underdevelopment have been traced to centuries-old feudal bondage of tillers. In Mexico, where land reform measures left a mosaic of

small private farms, collective farms and indigenous communal lands — but relatively fewer landless peasants — food sovereignty means protecting against tendencies towards land concentration and privatization propelled by the collusion of NAFTA, WTO and World Bank-IMF policies. For both regions, the food sovereignty concept challenges the TRIPs agreement and the General Agreement on Trade in Services (GATS), both of which allow the privatization of resources like seeds and water that are critical inputs in agriculture production.

In challenging the export-oriented industrial model of agriculture that has resulted in worsening landlessness, hunger and food insecurity, the food sovereignty paradigm promotes sustainable farming methods as well as agro-ecological models of food production and community-based practices in natural resource conservation and management. The concept relies on the key role played by small-scale farmers, particularly women, in promoting sustainable methods of farming that make use of traditional knowledge and practices. The intensive use of chemicals in modern mechanized farming, which has resulted in increasing pest attacks as well as massive increases in input costs leading to a phenomenal debt crisis in rural economies in the South, has created a mistrust of the new knowledge systems.

#### 3. Sustainable Production

Sustainable agriculture requires low-cost inputs, and often entails lower productivity. According to Madeley, the purest form of low external-input agriculture is permaculture, which makes no use of inputs outside a farm's immediate locality. Permaculture is based on the "careful mix of trees and crops to obtain maximum yields, the use of mulches, the integration of livestock and crops, use of green manure to protect soil and build up soil fertility." It has been observed that permaculture is practised most often by small farmers who have little access to cash. Thus, small farmers are in the best position to make the best possible use of natural resources, combining innovative modern methods with traditional knowledge to increase their productivity while maintaining low levels of inputs. These techniques are now being used in many different parts of South Asia including Nepal, Bangladesh and India. In Bangladesh more than 65,000 families practise community based organic farming known as *Nayakrishi Andolon*. Andolon.

Small-scale production systems also enhance gender equity and allow peasants and indigenous communities - who constitute the vast majority of the world's farmers despite being consistently portrayed as backward - more space to practice sustainable agriculture. This form of agriculture is the very basis for keeping ecosystems free from poisons. As soon as large-scale mechanized, chemical intensive farming becomes the order of the day, women are marginalized, being considered backward and illiterate, and patriarchal norms of making men the decision makers and practitioners of modern technology comes into force with a vengeance.

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<sup>&</sup>lt;sup>29</sup> Madeley, John. Food for all: the need for a new agriculture. The University Press, Bangladesh, 2002, p. 43.

<sup>&</sup>lt;sup>30</sup> Ibid, p. 44.

<sup>&</sup>lt;sup>31</sup> Nair, Prabhakar. Past roots future of foods. Pesticide Action Network, 2003, p. 18.

The food sovereignty concept is in essence a more scientific basis for increasing productivity as well as (re)creating a healthy environment which under green revolution production techniques has been intensely violated. The farming practices of small producers have shown that they do not only run more productive units in the long term, but also that the marginalized sectors of societies are assured better access to resources by taking better care of those resources based on a higher regard for their environment.

#### 4. Sustainable and Just Trade

Trade is important and can contribute to development within the context of strengthening capacities of developing countries to meet the needs of their peoples – food, medicine, raw materials, industrial products, etc. However, trade rules must respect the sovereign rights of nations, protect the rights of the majority to livelihood, promote greater equality within and between nations, promote gender equality, enhance the natural resource base and support and protect farmer's ownership and control of land and other means of production.

The United Nations Development Programme recently listed four principles of trade that have been largely forgotten in current debates on market access: 1) Trade is a means to an end, not an end in itself; 2) Trade rules must allow for diverse national institutional standards; 3) Countries have the right to protect their institutions and development priorities; 4) Countries do not have the right to impose their institutional preferences on others.<sup>32</sup>

A report by the International Forum on Globalization (IFG) "Alternatives to Economic Globalization" that came out in 2002 affirms the need for just and sustainable trade. It asserts that people, communities and nations should own the productive assets on which their livelihoods depend, be free from illegitimate foreign debts, and have the right and ability to manage the flow of goods and money across their borders that is essential to setting their own economic priorities and to maintaining high social and environmental standards consistent with community well-being. The vision of a just and sustainable system precludes rich countries from demanding access to markets and resources of weaker and less affluent countries and any corporation from having such right.<sup>33</sup>

This system may be realized in a new international framework for multilateral regulation that recognizes the rights of peoples and countries to determine their own economic and development policies and priorities and their right to sustainable, just and mutually beneficial trade between and among equals.

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<sup>&</sup>lt;sup>32</sup> UNDP, Heinrich Böll Foundation, Rockefeller Brothers Found, Rockefeller Foundation, Wallace Global Found. Making Global Trade Work for People. Earthscan Publications. London 2003.

<sup>&</sup>lt;sup>33</sup> International Forum on Globalization. <u>Alternatives to Economic Globalization.</u> Berrett-Koehler Publishers, Inc., San Francisco, 2002, p.216.

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#### **Abbreviations**

ADB Asian Development Bank AoA Agreement on Agriculture

APNFS Asia-Pacific Network on Food Sovereignty
ASEAN Association of South East Asian Nations

**BULOG** Indonesia Logistic Bureau

CIDSE Coopération Internationale pour le Développement et la Solidarité

(International Cooperation for Development and Solidarity)

**CONASUPO** La Compañía Nacional de Subsistencias Populares

(National Company of Popular Subsistence)

**EAP** Economically Active Population

**FAO** Food and Agriculture Organization of the United Nations

**FTA** Free Trade Agreement

GATS General Agreement on Trade in Services
GATT General Agreement on Tariffs and Trade

**GM** Genetically Modified (Food)

**IFG** International Forum on Globalization

**IMF** International Monetary Fund

**INEGI** (Instituto Nacional de Estadística, Geografía e Informática

**NAFTA** North American Free Trade Agreement

**OECD** Organization for Economic Co-operation and Development

PAN Pesticide Action Network
PRI Institutional Revolutionary Party

**SANFEC** South Asian Network on Food, Ecology and Culture

SAP Structural Adjustment Programme
SDT Special and Differential Treatment

**SP** Special Products

SSM Special Safeguard Mechanism TNC Transnational Corporation

**TRIPs** Agreement on Trade-Related Aspects of Intellectual Property Rights

UN United NationsWB World Bank

WTO World Trade Organization

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#### Heinrich Böll Foundation

The Heinrich Böll Foundation, affiliated with the Green Party and headquartered in the Hackesche Höfe in the heart of Berlin, is a legally independent political foundation working in the spirit of intellectual openness.

The Foundation's primary objective is to support political education both within Germany and abroad, thus promoting democratic involvement, sociopolitical activism, and cross-cultural understanding.

The Foundation also provides support for art and culture, science and research, and developmental cooperation. Its activities are guided by the fundamental political values of ecology, democracy, solidarity, and non-violence.

By way of its international collaboration with a large number of project partners - currently numbering about 150 projects in almoust 60 countries - the Foundation aims to strengthen ecological and civil activism on a global level, to intensify the exchange of ideas and experiences, and to keep our sensibilities alert for change. The Heinrich Böll Foundation's collaboration on sociopolitical education programs with its project partners abroad is on a long-term basis. Additional important instruments of international cooperation include visitor programs, which enhance the exchange of experiences and of political networking, as well as basic and advanced training programs for committed activists.

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