

WTO to Africa: Drop Dead

by Marcia Merry Baker

A call for more “open markets” to deal with the food crisis, came in Ghana in mid-April, at the UNCTAD (UN Conference of Trade and Development) XII meeting in Accra, by the directors of the World Trade Organization (WTO), the World Bank, and even UN Secretary General Ban Ki-moon himself. This constitutes a decree that Africa should die. Over the past 25 years, Africa has been forced into conditions of less food output, more food import-dependence, and cash cropping for export, to the point of genocide. Over 245 millions of people in Africa lack adequate food. Thirty nations are desperately short. Successive waves of International Monetary Fund (IMF), World Bank, and then post-1995 WTO strictures have outlawed nations in Africa and on other continents, from supporting their own farmers for domestic food consumption. In WTO-speak, such a goal is “trade distorting.”

The UNCTAD free-trade speeches were an especially venal irony, since as of April, the WTO-era trade system itself is disintegrating by the hour. There is no world market for African nations to participate in! Less and less agro-commodities are going into foreign trade, because formerly exporting nations must resort to withholding their grain and other product in order to maintain their own consumption. Instead of the 30 million metric tons of rice going into foreign trade annually in recent years, there may be less than 10 million tons this year. Rather than the 100 million tons of wheat in annual foreign trade, maybe half that much will be “available”—but at what price?

Commodity exchanges are dysfunctional—for anyone desiring to truly buy or sell grain—due to the out-of-control speculation. The Chicago Board of Trade (CBOT) is all but blown out by multi-billions of dollars of trades in “paper bushels” by hedge-fund speculators who fled to the CBOT because the financial crash closed out other speculative opportunities. Grain futures prices have, in effect, “gone vertical,” amidst both scarcity and speculation. On April 22, the government oversight agency for the CBOT, the Commodity Futures Trading Commission, held a public hearing at which farm representatives argued the market was “broken” and “out of whack.”

Since 2006: The world price of rice is up 217%; wheat, 140%; corn, 125%; soy, 110%.

Unable to obtain food, and facing these killer prices, import-dependent nations are plunged into desperation. There have been food riots in recent weeks, in Algeria, Morocco,

Cameroon, Senegal, Burkina Faso, and Egypt.

Nevertheless, Secretary General Ban on April 21 endorsed globalized free trade—which caused the high prices in the first place—saying that the food prices, besides showing the need for measures to increase agriculture production, “underscore the importance of pushing for an open trading system in agricultural commodities which will benefit countries around the world. Today’s high commodity prices present a unique opportunity to reduce trade-distorting subsidies and tariffs on agricultural products.” He called on all countries—especially developed nations—to do more to reduce trade-distorting subsidies. “The benefits of globalization, especially increased trade and investment, are some of the surest drivers of long-term growth and human development,” Ban said. “*Regrettably, Africa has yet to benefit from these worldwide trends*” (emphasis added).

Lyndon LaRouche said of the Secretary General’s comments in Accra, “Ban Ki-moon should resign for moral reasons, and out of sensitivity to the crisis in Africa.”

Kill the WTO

LaRouche is leading a campaign to kill the WTO as the best way to defeat famine. On April 14, he issued a policy statement through his LaRouche Political Action Committee, reiterating three steps by which to save mankind from starvation and a New Dark Age. “Every nation must have the right to self-defense against famine, contrary to the genocidal free-trade dictates which have been imposed by the IMF and World Bank. This means the right to carry out export controls, nation-to-nation agreements, and whatever price-fixing measures may be required to guarantee food security to its people.” He also called for a coalition of nations to collaborate on a food production mobilization, and on making food relief available on an emergency basis. And thirdly: “The biofuel policy pushed by British agent Al Gore must immediately be reversed.”

In many nations, there now is a reflex reaction to turn to such rescue measures, especially the pleasure of rejecting fat Al Gore. It is obviously insane to divert huge flows of corn, oil crops, and cane into fuel. Unless stopped, 24% of this year’s U.S. corn crop will go into ethanol—constituting 12% of the entire 2008 world corn production. This is what Gore calls, saving the planet. The right-wing variant, is for “energy independence.” The backlash against either brand of biofoolery is growing.

There are national initiatives to return to the principle of food self-sufficiency. On April 21, the government of Malaysia announced a program to restore rice, meat, and other output, to achieve food independence (see box). Earlier in April, the Philippines also announced a new commitment to become self-sufficient, as it once was before the depredations of the GATT/WTO practices of free (rigged) trade and world markets. In India, agro-science leaders plan a political policy fight to bring forward the necessity for a “Second Green Rev-

olution,” involving nuclear power development, and across-the-board technological improvements to engineer a new economic base for the nation.

‘Fruity Logic’: African Food to Britain!

The opposition to such an historic shift toward nation-serving measures, is centered in London, and the nexus of transnational commodity cartels and financial circles that have been functioning as a neo-British East India Company throughout the WTO-era. The British touch was much in evidence in Accra, and also in London the same week.

The title of the UNCTAD XII session April 20-25 was, “Addressing the Opportunities and Challenges of Globalization for Development.” Though it was planned four years ago (UNCTAD was founded in 1964, with world conferences held every four years since), the 2008 sessions in Ghana could have been used as the occasion to break with the policies that have given us today’s threat of famine. In the end, the food crisis did top the agenda, but deadly, old WTO axioms prevailed.

WTO director Pascal Lamy, formerly the EU representative to the WTO, told the UNCTAD conference April 20 that the food discussions in Accra could help to get a “break-through” in the stalled-out Doha Round of WTO negotiations on yet more world free trade in agriculture. He is trying for a WTO ministerial meeting in May.

The British minister for international development, Gareth Thomas, told the Accra gathering, “We are weeks away from a make-or-break point in WTO trade talks. If the world wants to do its best for the poorest countries, it needs to banish protectionism....”

Thomas then outdid all the others in promoting “free” trade, by presenting as a shining example, how Ghana is shipping food to Britain! In his April 21 speech, he said that so-called developed nations must get rid of their “import bans” on food from low-income nations, and do as Britain is doing, by teaming up U.K. consumer power with poor African farmers. He called for this as part of the WTO drive to help fight global poverty. The fruity logic is that the poor African farmers get some cash, and Britons benefit by “fresh,” air-freighted food.

Thomas even added a Gorey green twist, saying that Britons who buy food from Africa can do so in a way to protect the planet at the same time. He praised the company “Blue Skies,” set up ten years ago in Ghana, to export fresh-cut fruit to the U.K. (see www.bsholdings.com). The company has won the Queen’s Award for Enterprise, in the “sustainable” practices category. The 150 Blue Skies farms in Ghana (78 of which are small, so-called organic operations) follow “sustainable” farming practices, and produce product value now accounting for 1% of Ghana’s total exports.

Thomas said of the Queen’s recognition for Blue Skies in Ghana: “This award is proof that developing countries can export a product and take care of the environment at the same

time. The UK imports over 2,000 tons of prepared pineapple from Ghana every year, contributing 2.6 million pounds to the local economy through wages alone. This helps farmers and their families live a better life.”

There is even work on a “low-carbon pineapple” by the U.K. Department for International Development. The DFID recently announced a £2 million grant for partnerships between U.K. retailers and African farm operations.

Thomas, of course, neglected to talk about the vulnerability of Ghanaians to the food crisis, including the fact that the country is only 35% self-sufficient in rice.

East India Co.-Style ‘Partnerships’

These U.K. “partnerships” between African farmers and British consumers fall in the category of British East India Company-style plantations. They are the exact analog to the public-private partnerships being pushed by the Felix Rohatyn/George Shultz networks in the so-called advanced economies, intended to undercut sovereign government control and economic activity.

Under recent years of free trade, extensive cash-cropping has been imposed on Africa, in order to supply Europe and the United States with foods, ranging from fruit juices from South Africa, to high-value specialties such as “baby vegetables” and flowers from Kenya, going by air shipment to Europe.

Over the past few years, the EU and commodity/trade cartels have intensely pressured African nations to submit to codifying such looting under free trade, under the name of EPAs—Economic Partnership Agreements. This refers not only to food, but to all kinds of commodity schemes that benefit the cartels. The time of the December 2007 EU-Africa meeting in Lisbon, was set as a deadline for several African nations to comply, with the intention of the measures going into force in 2008. The carrot is that logistics assistance and (low price) revenue will be provided to the African partner. The stick is: Submit to these looting deals ... or else.

In line with this, even basic agriculture R&D is coming under privatized arrangements, wiping out the vestiges of the post-World War II system of research agencies working with governments, for the provision of new, higher yield, disease-fighting strains of seeds, and livestock breeds. In pre-WTO times, as of 1971, a world network of 16 agriculture research centers was in operation, called the CGIAR—Consultative Group of International Agriculture Research. They all had some type of research in Africa, with centers including: IITA—International Institute of Tropical Agriculture (Nigeria); ILRI—International Livestock Research Center (Kenya); Africa Rice Center (Benin), and so on. These agencies have operated to provide free help to nations, alongside the famous rice and wheat/corn centers, the IRRI—International Rice Research Institute in the Philippines; and CIMMYT in Mexico City, the International Center for Improvements in Rice and Wheat, and others.

But then the CGIAR system was systematically under-

funded over the past 20 years. During the same time period, the agro-cartels claimed unprecedented, sweeping patent rights to food seeds and methods of bio-engineering them, including Cargill/Monsanto, Dow/Pioneer, Syngenta, and others. In fact, the latest Bush Administration budget proposal for FY2009 *eliminates all U.S. funding for CGIAR* from the budget line formerly in the State Department/Agency for International Development (AID). In April, hundreds of agro-scientists started an online protest petition to demand U.S. funding of CGIAR.

What has happened during the undercutting of CGIAR and nation-serving R&D, is that research tied to the private purse strings of Bill Gates has been furthered. In 2006, the Africa Green Revolution Association—AGRA, was created with funding from the Bill and Melinda Gates Foundation, and the Rockefeller Foundation. In January 2008, Bill Gates also announced a \$40 million grant to the IRRI. Since then,

the Gates Foundation announced funding for a new agency to fight the UG99 wheat rust menace.

AGRA is based in Accra, and headed by former UN Secretary General Kofi Annan. At the December 2007 Lisbon meeting of the EU and African nations, AGRA held a science session, de facto in the context of the cartel push for EU/Africa Economic Partnership Agreements.

It is very much hoped, of course, that some good will come of the Gates-funded research. But the issue is that privatized charity is no substitute for a world of nation-states collaborating on science and economic measures for the mutual benefit of peoples.

Today's global food crisis is delivering a reality shock, that calls us to resume deliberate, humanity-serving policies, and ending the warmed-over British Empire game once and for all.

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Sarawak Can Become Malaysia's Rice Field

Sarawak, one of the provinces on the northern coast of Borneo, which is separated from the Malaysian peninsula by the South China Sea (see map), has vast undeveloped agricultural potential. It is also the site of the Bakun Dam, which will be completed within the next four years, providing adequate energy supplies to the region for agro-industrial development.

Malaysian Prime Minister Abdullah Ahmad Badawi,

after meeting with the chief minister of Sarawak, YAB Pehin Sri Haji Abdul Taib Mahmud, said: "If other countries don't want to export to us, this will create problems for our people.... We want to ensure food security, so ... Sarawak can become the 'rice field' for Malaysia." The chief minister noted that rice growers elsewhere had turned to cereals for biofuels production, and said big rice plantations were needed to meet the rice national-sufficiency goal. Transportation and irrigation infrastructure investment will be required to make this possible. A committee composed of high-level figures from both the public and the private sectors was established to oversee the implementation of the program.

Mohd Peter Davis, a scientist at Universiti Putra Malaysia and a representative of the LaRouche movement in

the country, has long warned that the intentional dependence on food imports in Malaysia could result in disaster as the impending world food crisis left the nation in the same conditions it faced during the Japanese occupation during World War II, cut off from imports. Davis praised the government's initiative, and was encouraged that the government may also adopt his unique proposals for expanding animal production in tropical climates as part of the emergency food program (see *EIR*, April 25, 2008).

Malaysia

