

# Leaders Forge Plans To Meet Food Emergency, Defy WTO

by Marcia Merry Baker

The food supply for hundreds of millions of people, especially in Africa, remains in jeopardy because of shortages, super-high prices, and the persistence of World Bank/International Monetary Fund/World Trade Organization practices depressing production, and favoring cartels and food-for-fuel. At least 850 millions of people are in dire need of daily food, and some 2 billions have hunger and inadequate diets.

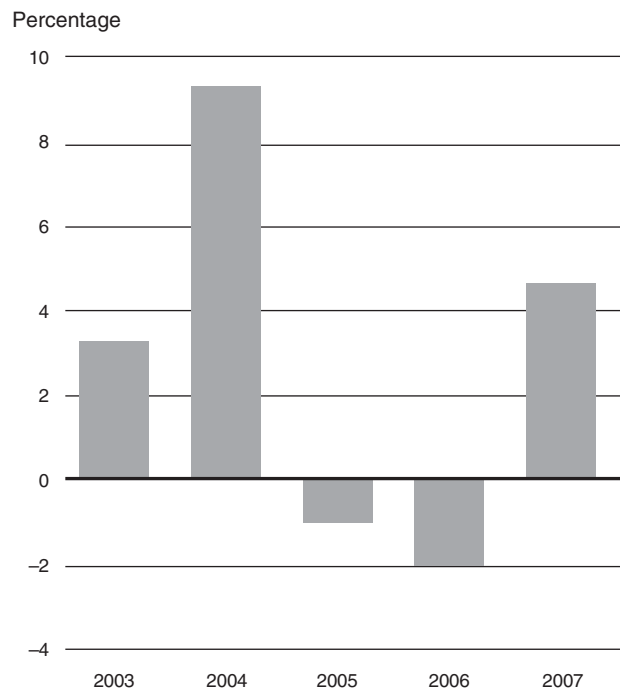
As of May, the end of planting and harvest cycles in the Northern and Southern Hemispheres, projections for world total grains output is a dismal 2.164 billion metric tons. Even if “all goes well”—that is, no adverse weather hits one of the big grainbelts during the remaining crop seasons in 2008—the expected total harvest will amount to only a 2.6% increase over last year. This comes after two years of decline in world harvests (**Figure 1**), and the continuation of 20 years of decline in world output of grains per capita.

Accordingly, the carryover of world grain stocks is sinking. The ratio of world grain stocks to consumption (for the food chain and all uses, including biofuels) is dropping, and set to hit a 30-year low as of December, at 18.8% (**Figure 2**). For corn (maize) and all coarse grains, it is headed for 14% or less, given the huge flows of corn going into ethanol. Even according to the Biblical wisdom of “seven lean years, seven fat years,” there should be a contingency cushion of 30% or higher stocks-to-use ratio.

These summary statistics come from the UN Food and Agriculture Organization (FAO)’s own publications, which cite a stocks-to-use level of 17% as the ultra-danger zone. The FAO’s most recent world survey, *Crop Prospects and Food Situation*, April 2008, also points out how food prices have soared (see **Figure 3**), for wheat, corn, and rice, from 2003 to 2008. For nations that were forced to become dependent on world markets for food imports, *the food either isn’t there at all, or the price is unpayable*. Yet, the FAO, despite monitoring the decline in world agriculture and country-by-country unmet needs, has so far remained aligned with the “one world/one market” orientation and free trade practices of the World Trade Organization. This is a death sentence for food-import dependent nations.

The bright horizon in this pre-famine horror, is that many national governments and leaders, are now defying the precepts of the WTO, starting up new nation-serving farm pro-

FIGURE 1  
Year-to-Year Change in World Grain Production

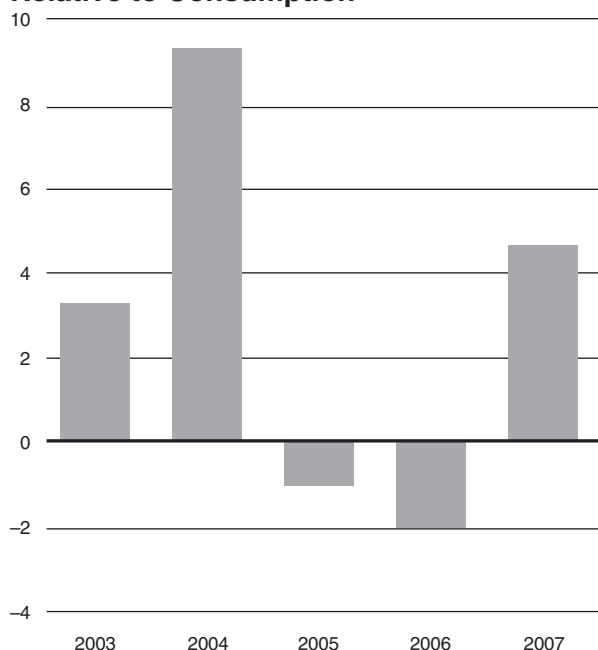


Source: FAO

grams, and discussing how to expand production and provide food. This comes amid responses to the May 3 international call by Helga Zepp-LaRouche, international leader of the Schiller Institute, for emergency action on the world food crisis, to double world food production as fast as possible, and to cancel the WTO. (“Instead of Wars of Starvation, Let Us Double Food Production!” [www.schillerinstitute.org](http://www.schillerinstitute.org)). The focus is to act right now, to make the June 3-5 Rome FAO food summit a meeting on how to succeed in re-establishing economic activity to meet food needs, and stop the collapse process from leading to mass starvation.

We review first, the scope of the unmet food needs; and second, the initiatives under way to expand agriculture.

FIGURE 2  
**Decline in Ratio of World Grain Stocks  
Relative to Consumption**



Source: FAO

## Forced Import Dependency = Genocide

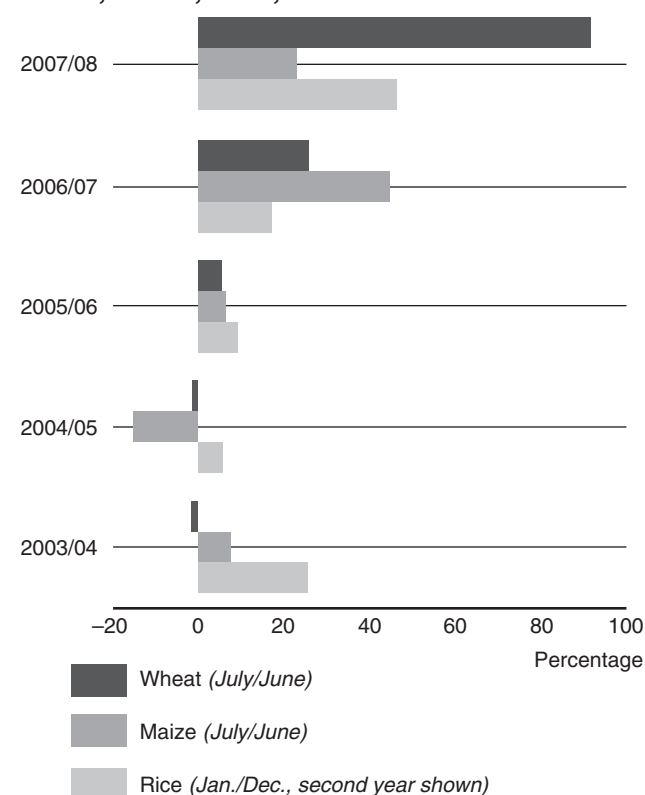
Under the neo-British Empire policies of globalization and free trade over the last three to four decades, the poorest regions of the world have had their ability to produce food wiped out, while their dependence on foreign imports has skyrocketed. Under current conditions of global contraction of food production, and the shock-front of food price hyperinflation, these regions are facing immediate starvation. “This is genocide, period,” is the comment of Lyndon LaRouche, who issued a call in March to “Kill the WTO!”

Here are the percentages of total food supply now being imported (either purchased commercially, or received as food aid) by the targetted regions identified, according to World Bank statistics:

Region	Food Imported	Self-Sufficiency
Sub-Saharan Africa	71%	29%
North Africa	68%	32%
East Asia and Pacific	53%	47%
South Asia	37%	63%
Ibero-America	27%	73%

The increase in reliance on imports has been a deliberate

FIGURE 3  
**Year-to-Year Change in Grain Price Indices—  
Wheat, Maize, Rice, 2003-2008**



Source: FAO

process. If you look, for example, at Sub-Saharan Africa’s self-sufficiency in grains production (the percentage of regional consumption which is produced within the region, i.e., not imported), it fell from 104% in 1970 to 83% in 1990. In East Asia, cereal self-sufficiency fell from 54% in 1970 to 35% in 1990. And, in Ibero-America, it plunged from 107% to 88% over those same two decades. These figures are from the U.S. Department of Agriculture’s database for all nations for the 1970-90 period. (*World Agriculture, Trends and Indicators, 1970-91* Economic Research Service Statistical Bulletin No. 815).

Although the USDA stopped producing this useful statistical series after 1990, it is obvious that the trend has continued, and worsened. For example, from 1990 to 2008, the volume of grain imports skyrocketed by 63% in Sub-Saharan Africa, by 47% in South Asia, and by 81% in Ibero-America.

This trend can also be seen by looking at specific cases, such as Mexico. There, where corn originated historically, the per capita production of corn fell by 18% from 1980 to 2005, resulting in 26% of all Mexican corn consumption coming from imports. For beans, per capita production fell by 51% over the same period. And for rice, production plummeted by

71%. Today, 69% of all rice consumed in Mexico is imported.

In Africa, look at Ghana. In the 1990s, domestic poultry and egg production met 95% of production. Today, it meets only 11%. Rice production in Ghana met 80% of domestic needs as recently as 1998. But today, only 20% of rice is domestically produced.

How is Ghana to obtain the imports to supply 80% of its rice consumption needs? The rice futures price rose by 80% in April on the Chicago Board of Trade. The biggest rice-importing nations—such as the Philippines—cannot obtain enough rice imports *at any price* at present, regardless of their ability to pay. But nations throughout Africa depend on rice imports.

Wheat is in the same crisis situation. The wheat futures price spiked by 140% on the Chicago Board of Trade in April.

### **Muster 40 Million Tons of Grain Now**

Now step back, and look at the total world picture again. In recent years, a list of the grain import requirements for all the world's most food import-dependent, low-income nations, termed by the UN the "Low-Income Food Deficit Nations" or LIFDCs, has been kept by the FAO, and updated quarterly. In its most recent listing, 82 LIFDC nations require, at minimum, a total of roughly 83 million metric tons of grains to be provided this year—as either food aid (a small percentage) or commercially purchased imports. This amounts to more than 40% of all the world grain traded annually in recent years.

But how can these poor nations pay? Who will provide it? As of April, only 45.5 mmt have been lined up. This leaves close to 40 million tons of grain that must be mustered simply to meet the most minimal status quo needs.

The 44 LIFDC nations on the continent of Africa require, at minimum, 38.525 mmt of grain imports this year, out of the total world LIFDC requirement of 83 mmt. So far, the FAO reports that Africa can expect to obtain 19.8 mmt, which is barely half of what it needs this year. The charge that, "the year is young," and that more food imports will somehow materialize, is rationalization for genocide.

The response to date of the World Food Program, the UN-affiliated relief agency, has been a March announcement that it will deal with food aid shortages by "triaging" nations and programs; that is, it will decide who gets food and who doesn't. Meantime, poor nations can't compete to buy food, given its scarcity and the hyper-high prices. This can and must be stopped. Nations currently in the most dire situation in Africa include Somalia, Swaziland, Lesotho, and Zimbabwe.

Moreover, there are inevitably weather problems. For example, in Kenya, the farmers in the Southern Rift Valley reported in mid-May that they couldn't prepare ground to plant their wheat crop because of lack of diesel fuel. Now, planting it next month may be too dry, according to the Kenya National

Federation of Agriculture Producers. It is also dry in Ethiopia and Somalia. In Zimbabwe, there have been early floods, and late dry spells.

Out of the 82 LIFDC countries, there are 37 listed by the FAO as "in crisis" and "requiring external assistance." These include 21 in Africa, 10 in Asia, 5 in Ibero-America, and Moldova in Europe (hit by drought and lack of inputs for Winter cropping).

### **Stop Biofuels! Grain for 130 Millions**

The most immediate, and obvious approach to lay hands on farm capacity and potential emergency food, is to shut down biofuels. Mandating the shutdown of bio-refineries, diverting that food crop instead into processing and distribution in the food chain, and making provision for stabilizing and upgrading the farmers, can be accomplished by wartime-type measures, in today's war on starvation. This could easily cover the millions of metric tons required.

The largest volume of food diverted into fuels is in the United States, where 25-30% of this year's corn crop is headed for ethanol, unless stopped. The farm and food capacity now involved in corn-for-ethanol would be enough to provide food for 130 million people (processed for direct consumption), or fewer people (if processed through the livestock feed chain, as well as milled for direct human use).

Even in the U.S. Congress, until now, oblivious to the consequences of the huge food-for-fuel shift, there is recognition. On May 14, the foreign relations committees of the House and Senate held hearings on the food crisis, where its severity was recognized, and highly unusual attacks were made against the IMF/World Bank policies toward the developing sector. Some Congressmen even suggested a moratorium on ethanol production. After a few years of being moribund, the Bipartisan Congressional Hunger Caucus has been reconstituted, and is springing back into action.

### **Nations Face Rebuilding Food Capacity**

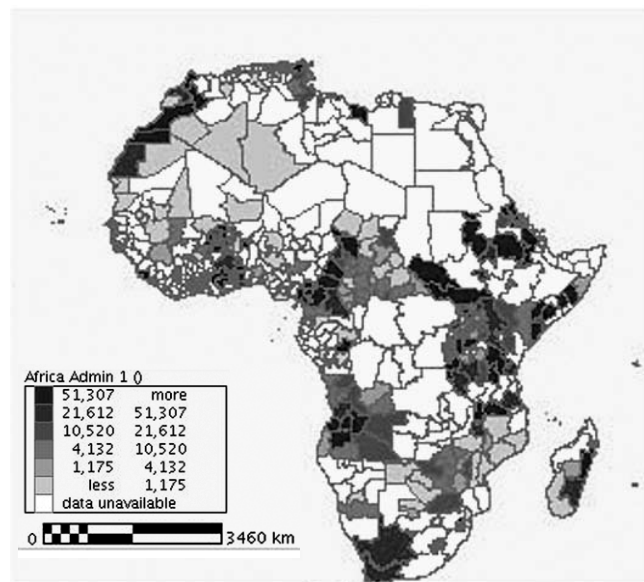
Numbers of national governments, and also farm and food leaders, are putting forth specifics of how to mobilize to produce more food in the shortest time, for domestic consumption, or also to help meet international needs. Here is a review of recent public announcements, and reports provided by those active in the Schiller Institute international mobilization to set the agenda for the June FAO "High Level Conference on Food Security," to focus on doubling world food production and meeting all emergency needs.

### **Africa: Plans To Resume Self-Sufficiency**

**Senegal:** President Abdoulaye Wade set forth an ambitious program on April 19, which he calls the, "Grand Agricultural Offensive for Food and Abundance" (GOANA, in French). On a national scale, the aim of this policy, he said, is to satisfy all our food needs and beyond that to fill up our granaries. By next Winter, the aim is for Senegal to have 2 million

FIGURE 4  
**Distribution of Corn Production in Africa, 2005**

Metric Tons



Source: FAO

tons of corn, 3 million tons of manioc, 500,000 tons of rice, and 2 million tons of other cereals, such as millet, sorghum, etc., 400 million liters of milk, and 43,500 tons of meat.

The government will take measures to make quality seed and equipment available to all potential producers. There is a call-up of government officials to cultivate at least 20 hectares of land. Wade has also been outspoken in his denunciation of the FAO's record of going through the motions on agriculture, and running costly, but ineffective operations. Wade wants to replace traditional food aid handouts, with real production capacity.

**Malawi:** In 2005, the government of Malawi, led by President Dr. Bingu Wa Mutharika, decided to ignore the threats from the IMF et al., about the dire consequences of violating the so-called "laws of the marketplace," and to act for the survival of the Malawi people, by distributing government vouchers for seed, and more important, subsidies for fertilizer, to poor farmers. The results were nothing short of spectacular, producing a 283% increase in corn output over two years. Corn production shot up to 2.7 million metric tons in 2006, and to 3.4 mmt in 2007, up from 1.2 million mmt in 2005. The subsidy program has enabled

Malawi to become a net exporter of grain to the region, including sending 270,000 metric tons to Zimbabwe.

The Malawi Ministry of Agriculture and Food Security says that the government will implement a countrywide Farm Subsidy Program for the third season, following the success of the 2005-06 and 2006-07 subsidy programs. The fertilizer subsidy program for 2008 is expected to benefit 1.7 million small farmers; each coupon distributed by the government will be good for purchase of 50 kilograms of fertilizer.

In addition, there will be 2 million coupons for improved corn seed and 1 million coupons for purchase of cotton seeds or legume seeds. The coupons will be distributed to farmers in an open village forum, and each household will receive only one set of coupons.

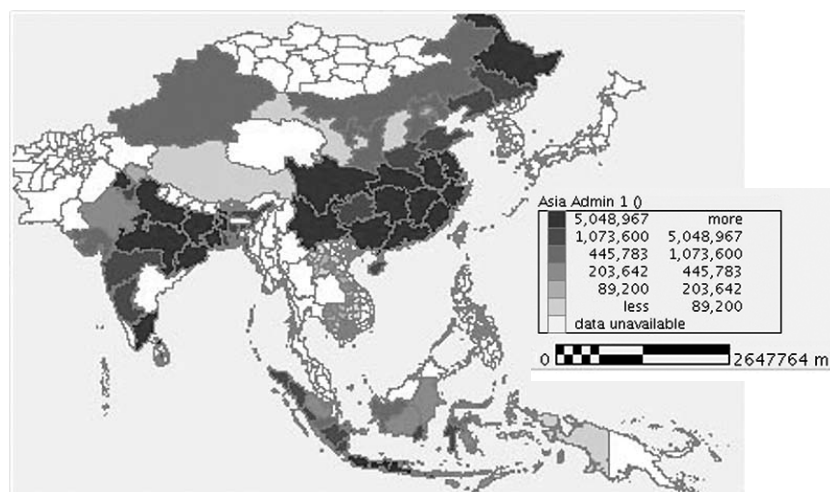
The land-locked nation of Malawi, in southwest Africa, is one of the poorest nations in the world, but it is now showing the way. Its principled example was presented to the U.S. Congress at a May 14 hearing on the world food crisis, amid an otherwise dismal atmosphere of debate over a new non-production oriented, five-year U.S. farm bill!

## Asia: Leading Rice Producers To Discuss Infrastructure

Six leading rice producers—China, India, Pakistan, Thailand, Vietnam, and Myanmar—held a meeting May 6 in Bangkok, announcing their intent to revive an organization founded in 2002, but which never got off the ground, the Council on Rice Trade Cooperation (CRTC). They will hold a ministerial meeting within the next two months to discuss improving rice quality and production, and to exchange technology ideas among the members. Sources connected to the

FIGURE 5  
**Distribution of Rice Production in Asia, 2005**

Metric Tons



Source: FAO

discussions report that the extensive regional infrastructure developments which will be required for any dramatic increases in rice production, will be on the agenda.

**Philippines:** In April, the government of President Gloria Macapagal Arroyo committed the country to a crash program to regain rice self-sufficiency within three years. The Philippines was once rice-sufficient, then fell back under the global regime of the IMF/WTO era, to the point where the nation, along with Nigeria and the Persian Gulf countries, are the world's largest rice importers today. But now, despite Arroyo's lack of public support, the principle of restoring national agriculture capacity is commanding respect.

The Green Revolution-era agency, the International Rice Research Institute (IRRI, based in Manila), announced on May 3, that it will give full backing to the government's intention to swiftly increase the national output of rice and other foods. The \$1 billion government plant includes measures for fertilizer, seed, and other logistics. Only recently, from 2002-04, an effort with the same goal was thwarted by the government. But now, under severe life-and-death lack of sufficient rice for the country, the plans have been revived.

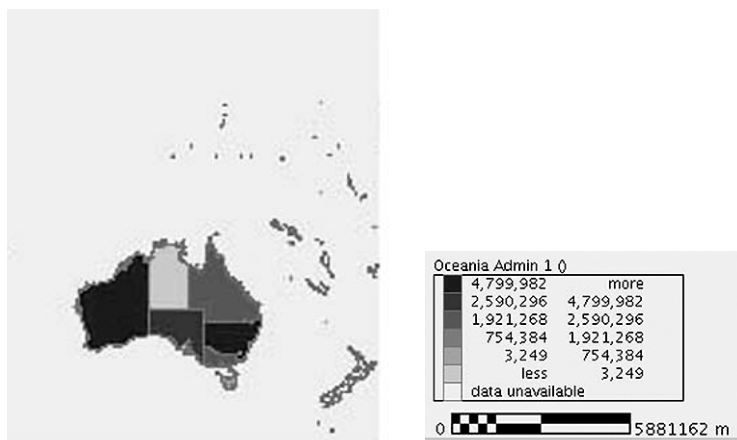
**Malaysia:** The government has announced commitments for programs to restore food self-sufficiency to the nation. A centerpiece is Sarawak, a province on the northern coast of Borneo, which is separated from the Malaysian peninsula by the South China Sea, and has vast undeveloped agricultural potential. 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.

Prime Minister Abdullah Ahmad Badawi announced a farm/food development program in April. A committee composed of high-level figures from both the public and private sectors was established to oversee the implementation.

Badawi said, after meeting with the chief minister of Sarawak, YAB Pehin Sri Haji Abdul Taib Mahmud, "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.

Mohd Peter Davis, a scientist at Universiti Putra Malaysia and a representative of the LaRouche movement in that country, who has endorsed Zepp-LaRouche's call for emergency action on the food crisis, has long warned that depen-

FIGURE 6  
**Distribution of Wheat Production in Australia, 2005**  
Metric Tons



Source: FAO

dence on food imports could result in disaster for Malaysia. He is now campaigning for high-tech programs of all kinds, including one on how to expand the animal protein supply, by using "deep tropical" animal husbandry, with livestock confinement and intense forage production. (See *EIR*, April 25, 2008).

## Australia: World Asset for Wheat, Rice Exports

The Citizens Electoral Council and the LaRouche Youth Movement have been meeting with farm leaders on how to unleash the vast agriculture might of Australia. The nation could double its wheat production in 2008-09, to 15-16 mmt; despite the two just-ended drought years.

While in 2005-06, Australian wheat exports were 12 million mmt, they have fallen greatly since. This is a precious world food potential, because Australia can export 80% of its wheat production. It is critical that none of this be allowed to go into ethanol production, as is presently happening. Australia is currently making 25 million gallons of ethanol annually from food crops.

Rice production has been allowed to disappear in just the last five years—it was 620,000 mmt in 2002-03, and fell to just 70,000 mmt in 2007-08, making Australia a big rice importer of 700,000 mmt. The export capacity can and must be restored.

Overall, Australia could immediately cut its own food imports back by 50%, and send out large amounts of wheat, as above, and critical amounts of rice.

One immediate task must be accomplished to provide the water supply for agriculture: the reversal of the sequestering of the Murray-Darling Basin water by, first the Howard government, and now, the new cut in water releases by the Kevin Rudd government.

## Ibero-America: Restore Self-Sufficiency, Exports

**Argentina:** Federal Deputy Alberto Cantero, Chairman of the Chamber of Deputies' Agricultural Committee, has called for doubling national food production, and creating a state agency to oversee all aspects of agricultural marketing. He held a hearing May 14 on these proposals, and on May 15, in an exclusive interview (this issue), Cantero endorsed the LaRouche movement's global mobilization to make the subject of the June FAO meeting how to double world food production. Argentina, for its part, could produce enough food to feed 500 million people—Argentina's 40 million plus another 450 million more people, he told Emiliano Andino of the LaRouche Youth Movement.

There are several initiatives on restoring state regulation over agriculture being debated in the country, at a time when cartel-dominated soy producers, including the Anglophile landed oligarchy, have gone on strike to demand that President Cristina Fernández de Kirchner eliminate higher taxes on soybean and sunflower seed exports, which are intended to keep domestic food prices low, and ensure more equal income distribution. The cartel-aligned agricultural producers, prefer to let "the market" take precedence over the general welfare.

**Honduras:** President José Manuel Zelaya Rosales has launched the Plan for Supply of Basic Grains and the Technological Productive Bond (BTP), in order to produce enough basic grains this year to feed its population of 7.3 million.

There will be provision of some basic inputs in terms of agricultural credit at low interest rates (lowered from 24% to 9%), seeds, technology, and so on. "We have to support these reforms so the nation can once again become the granary of Central America," Zelaya said, referring to Honduras's past status as a key regional food producer.

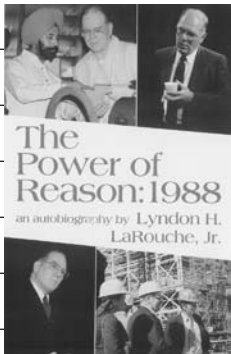
There are also measures to increase cereals output, including rice. The National Agriculture Development Bank (Banadesa) will aid smaller producers to grow the crops, for which a special fund of 1.2 billion lempiras has been created. Rice production was wiped out in Honduras, beginning in 1990, when, as Zelaya said, "someone had the bright idea that it would be easier to bring rice from the U.S. than produce it in Honduras." And then, he said, "Somebody said, 'why don't you give me that import business?'" and it was at that point that three or four shiploads of rice were dumped on Honduran producers, which drove them into bankruptcy." Now, under the new plan, rice-growing and other capacity is to be reinstated.

In particular, it was the terms of a 1990 World Bank loan, that dictated that Honduras must open itself up to imports of food, when its consumption needs at that time were being successfully met, more than 90% from homegrown food. The World Bank ordered the dismantling of the trade laws that protected Honduran domestic producers, and Honduran agriculture was smashed.

**Colombia:** Colombia's National Association of Cereals and Legume Producers (FENALCE) has launched a campaign for ending Colombia's food import dependency, through greatly expanding land under cultivation, using government price supports, guaranteed purchasing agreements, and aid for improving agricultural output, as well as cancelling biofuels and transforming ranching methods.

"Colombia Could Produce Food for the Hungry of the World," the president of the LaRouche Association of Colombia, Maximiliano Londoño, urged in a statement issued May 14. Colombia currently imports more than 8 million tons of food a year, including 3.4 million tons of corn, 1.4 million of wheat, and lesser amounts of barley, soy, and beans, when the nation should not only be food self-sufficient, but generate surplus for export. Of the 20 million hectares available for cultivation, no more than 4.5 million hectares have been cultivated for the past 40 years, and today, after the free-trade measures of the 1990s, only 3 million hectares are cultivated.

Immediately, says Londoño, 1 million more hectares should be cultivated again, growing the grains now being imported. For example, if 700,000 additional hectares were used to grow corn, Colombia could stop all corn imports. The first step required, Londoño said, is to cancel the huge subsidies and incentives granted for biofuels. Close to 75 million gallons of ethanol a year are being produced at present. And the vast areas that are today absurdly dedicated to extensive cattle ranching, should be converted to farming, while intensive livestock husbandry, including feed-lots, can be implemented.

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