Trading away the right to food at the WTO

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The only thing of note to happen at the December 15-17 WTO ministerial summit was the occasion it provided for WTO Director-General Pascal Lamy to attack the UN Special Rapporteur on the Right to Food, Olivier De Schutter. De Schutter's briefing note to the meeting called for fundamental changes in the WTO rules to give member states the room to meet their obligation to ensure the right to food. "The WTO", wrote De Schutter, "continues to pursue the outdated goal of increasing trade for its own sake rather than encouraging more trade only insofar as it increases human wellbeing. It therefore treats food security policies as an unwelcome deviation from this path."

Lamy's response (erroneously titled a "rebuttal" on the WTO website) demonstrates the truth of this criticism.

Lamy's defense of the organization he heads rests on three assertions. All three are entirely self-referential and contain not a single reference to the reality which is De Schutter's starting point, namely that the growth of world trade in agricultural products under the WTO regime has been accompanied by growing food insecurity, and that current world trade rules are part of the problem in so far as they limit developing countries' capacity to protect and promote domestic food production.

First, says Lamy, it cannot be true that the WTO rules violate the right to food, because the right to food is "mentioned" and "referenced" in the WTO Agreement on Agriculture (AoA). "Governments", he states, "have a sovereign right to pursue policies to achieve food security within their international obligations." References and mentions, however, feed no one, nor do they respond to De Schutter's call to examine the real world impact of the rules this treaty imposes.

Governments, moreover, not only have a sovereign right to pursue policies promoting food security. Their international human rights commitments oblige them to pursue this policy objective, and to act concretely to ensure the progressive realization of this fundamental human right. That is the meaning of the right to food: it is a right which cannot be qualified, limited or subordinated with respect to "other" (read "commercial") international obligations.

Second, continues Lamy, it is false to assert that countries may have to limit excessive reliance on trade in agricultural products in order to meet their food rights commitments. The proof of this is that organizations including the IMF, World Bank, OECD, FAO and the WTO itself have said so.

If more proof is needed, Lamy reminds us that "Indeed, our Members negotiate towards a more level playing field in agriculture in order to enhance their ability to achieve food security." This proposition merely restates the problem De Schutter is
probing, namely whether, in the real world, increased trade in agricultural products has translated into increased food security, and if not, what needs to be done.

Here is the world according to Lamy: "With trade as part of a coherent macroeconomic and structural economic strategy, resources will tend towards an allocation based on comparative advantage, limiting inefficiencies. In response to an enhanced transmission of unbiased price signals competitive producers adjust their production and investment decisions. This supply response helps to mitigate price pressure, contributing to improved availability of affordable food."

Lamy's stale rehash of free trade clichés can, with a bit of airbrushing, explain the 'comparative advantage' enjoyed by the giant traders and processors who dominate global trade in agricultural commodities. It cannot explain the increased unavailability of affordable food.

"This may look like food security on paper", says De Schutter in his response to Lamy, "but it is an approach that has failed spectacularly. The reality on the ground is that vulnerable populations are consigned to endemic hunger and poverty."

By its very nature, the WTO cannot account for the social devastation unleashed by the current trade regime. Agriculture is viewed, not as a source of livelihood, but as a source of tradable commodities. WTO rules require that the real issues underpinning the food crisis be excluded from consideration. The questions raised again by De Schutter in his response to Lamy, "Who produces for whom, at what price, under which conditions, and with what economic, social and environmental repercussions", are inadmissible under WTO rules.

Lamy's doctrinaire reiteration of textbook formulas cannot recognize the existence of a massive social and environmental crisis, of which growing world hunger is a powerful expression. The word "hunger" is in fact absent from his letter to De Schutter. He cannot explain why half of the world's growing number of hungry people are food producers, because he cannot ask the question: why?

He cannot explain why "efficient price allocation" has saddled the least-developed food deficit countries with a 600% increase in their food-import bills over the life of the WTO. His only response to the FAO's forecast of a record increase in developing countries' cereal import bill over the coming year is to call for more of the same failed policies.

A look at the stated objectives as well as the fine print of the AoA bears this out, and takes us to Lamy's third assertion, that the WTO does afford governments policy space to pursue food security. Here, again, he only reinforces De Schutter. The "broad room" for developing countries to pursue food security objectives exists only on papers produced by the WTO secretariat. He cites as an example the AoA Green Box (which defines allowable subsidies), but the Green Box was specifically created to enable ongoing subsidies to large producers flooding global markets with cheap imports It is by nature incompatible with national programs to strengthen domestic production through regulation and protection. The strategic use of cereal reserves to cushion price volatility is, says Lamy, admissible, but only in the context of emergency food aid, not as an element of "trade distorting" regulation. This leaves the giant commodity traders in command of the world's food reserves - but of course WTO rules allow this.

De Schutter is not arguing "against" trade, a proposition as absurd as it is meaningless, nor is he advocating total self-sufficiency in food production. He is calling for a re-examination, and a rewrite, of the trade and investment rules which have devastated many countries' capacity to meet their current and future food needs through increased...
domestic production, leaving them acutely vulnerable to rising and increasingly volatile food prices.

He is right. Similar criticisms of the WTOs role in undermining food security have long been voiced by the IUF and many other critics of the world food system. What has clearly upset Lamy is that De Schutter, while an independent expert, is voicing his criticism from within the United Nations system. De Schutter has also forcefully highlighted the relevance of ILO Conventions and worker rights in advancing the right to food. "The right to food is not a commodity, and we must stop treating it that way", writes De Schutter. The labour movement should speak up loudly and solidly in support of his work.

IUF publications on the WTO and the world food system are available here [4].

Publications and other documents of the UN Special Rapporteur on the Right to Food are available here [5], including the excellent report on Agribusiness and the Right to Food [6].

How to contact the IUF:
   Email: iuf@iuf.org
   Post: Rampe du Pont-Rouge, 8, CH-1213, Petit-Lancy (Switzerland)
   Phone: + 41 22 793 22 33
   Fax: + 41 22 793 22 38

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