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WTO agricultural negotiations in Geneva

The current drive to reach agreement on agricultural issues at the World Trade Organization (WTO) should be brought to a halt. The WTO General Council is meeting in Geneva, starting July 27th, to discuss a framework on agriculture that is completely unacceptable

We propose a new EU agriculture policy, a new US Farm Bill, and new international trade rules, all based on food sovereignty and sustainable family farming.

The European Union and the United States must put an end to the swindle they have been imposing on other WTO members since the Uruguay Round of the GATT in 1994. Who can believe the sincerity of the European Union and the United States when their stated intentions to end export subsidies only results in letting internal prices drop to extremely low "world levels", thus dumping US and EU commodities on the export market to the detriment of farmers all over the world?

Propping up the US and EU agricultural systems with massive amounts of direct payments re-categorized as green box or blue box payments fails miserably in concealing the duplicity of the EU, US and the multinational agribusiness corporations that benefit from buying low-priced commodities. The claims by these corporations that cheap commodities benefit consumers is belied by their ever increasing profit margins, the destruction of local food systems, and growing populations of undernourished citizens.

Likewise claims of benefits to US and EU farmers are belied by the loss of family farms, the growth of industrialized livestock production and the de-population of the countryside in the United States and the EU.

Export subsidies, public support, taxpayer's money:

Both the EU and the US are attempting to justify and maintain their current subsidy systems by simply re-categorizing payments, which carries the illusion that they are decreasing export subsidies with the expectation that a greater agricultural balance will arise between developing and developed countries. This is not the case. The apparent rationale of the EU and the US to diminish trade distorting domestic support unfortunately

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parallels the misguided efforts of the Cairn's group and the G20 to discredit the importance of government involvement in achieving social and environmental justice in the world's many agricultural systems.

Public support in agriculture is legitimate, in the South as in the North, provided that it does not serve to promote production or exports at prices below production costs. But it is precisely one of the objectives of the EU/US direct payments—to allow all production (for domestic use and for export) to be priced at extremely low “world prices.”

Market access

We believe that the benefits of “market access” are illusory goals for the benefit of the family farmers of developing countries. As the common statement of Via Campesina and ROPPA¹ (Africa) indicated in May 2001, “In less developed countries, the first priority of farmers is to produce for their families, then to seek access to their domestic market, before seeking to export.” The international pricing of commodities, the advantage of destructive industrial techniques in developed countries, and the exclusivity of market arrangements with multinational trading corporations will eliminate most family farmers in developing countries from any benefits whatsoever. This is not a picture of broad based development or democratic participation.

Who actually benefits from the export oriented market access solution?

The first beneficiaries are a handful of business elites and the landed oligarchy in developing countries that have the technology and political connections to profit from market access. They are supported by structural adjustment programs of the World Bank that require developing countries to repay their burdensome debts to multinational banks. This export oriented agriculture benefits the privileged few and leads to further underdevelopment rather than development with a view to the future.

The second group of beneficiaries includes multinational agribusiness corporations that benefit from expanded access to cheap inputs and new markets to be served by their reliance on industrial processing and retailing techniques. Local markets and customary activities are destroyed.. These corporations have also started to move their agricultural production from the North to less developed countries (from US to Mexico, from EU to South America, Africa,..) to benefit from cheap labor and land.

Continuing down this path will lead to the loss of sustainable family farm based agriculture around the world, including the EU and US. Cheap feed grains and protein meal already have led to the destruction of diversified family farms with replacement by inhumane and polluting livestock factories often owned or controlled by multinational corporations.

More and more farmers and governments in developing countries, together with the CPE and NFFC, are saying, “No!” to further “trade liberalization” under WTO which will be so destructive to their society, culture, and environment. . We demand that our governments stop the intense political and economic pressure being exerted on them to comply with EU and US WTO policies that result in the curse of low commodity prices intensifying the rural crisis, urban congestion, and unemployment.

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Thus, CPE and NFFC demand the European Union and the United States to abandon their current agricultural and trade policies. The rules of international agricultural trade must be based on the right to food sovereignty, which excludes any form of dumping

¹ Réseau des Organisations Paysannes et des Producteurs agricoles d'Afrique de l'Ouest

but allows countries to develop their own domestic food and agricultural policy. Current WTO rules and the latest EU and US demands will result in cultural, environmental, and social costs that cannot be measured by “domestic support formulas”. While only 10% of the world’s agricultural production enters international trade, the imposition of WTO on agricultural policies threatens to preclude a democratic peaceful world for current and future generations

In May 2004, CPE and NFFC, along with Via Campesina, ROPPA, and other organizations launched an international campaign to change the EU Common Agricultural Policy (CAP) so that it is in line with people’s food sovereignty. The US Farm Bill must also embrace food sovereignty, and, likewise, reflect the importance of sustainable family farming at home and abroad.

We, CPE and NFFC, declare that the EU needs a new Common Agricultural Policy and the US needs a new Farm Bill based on food sovereignty and sustainable family farming, as follows:

- remunerative farm prices related to the production costs rather than a reliance on income from government payments,
- supply management on an international, national, and regional level, This will include the necessity of excluding cheap imports that threaten the price support and supply management mechanisms ,
- suppression of any form of subsidies for export or intended to encourage production for export,
- a public support system, which ensures the maintenance of agricultural production in less favored areas, develops sustainable (socially and environmentally) sound production methods , and local processing and retailing of products ,
- structural measures that halt and reverse the concentration of production in large factory farms including industrial livestock factories that are devastating the countryside,
- to give priority to the entry of young farmers .

Let us globalize struggle, let us globalize hope

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