

# Nations Begin To Defend Food Rights Against British Empire's WTO

by Marcia Merry Baker

The current actions of a number of nations to defend their peoples' food supply amidst economic breakdown, are going against all tenets of the World Trade Organization (WTO) and its backers' drive to effect a borderless, neo-British Empire-style world of cartel domination and misery. This adds to the momentum for a real break with the deadly policies of globalist "markets" (cash cropping, import dependence, bio-energy) imposed over the past four decades, which have led to the crisis in the first place. The Empire is not pleased.

The WTO, established in 1995, has been pushing its "reform" agenda for still more globalized agriculture, called the Doha Round, since its meeting in Qatar in 2001. The WTO had wanted to get a farm/food "reform" treaty this year. But, whereas WTO director general Pascal Lamy, the former European Union trade commissioner, said at the UN Conference on Trade and Development in Ghana in April, that the food crisis would spur the Doha Round, the opposite is the case. Even his hoped-for May WTO ministerial-level meeting is most likely to be called off. Reality has struck.

In Fall 2007, the WTO issued discussion "texts" for proposed agriculture and other free-trade agreements, preparatory to intended 2008 codification. Now they are all but dead letters. For example, in the last week of April, the government of Japan, a significant food importer, proposed that the WTO agriculture text make mandatory that no nation can withhold its food from export markets. The response among other nations? Forget it! Ignore the WTO.

Every day there are announcements by governments of new unilateral actions to control food prices, limit exports, make nation-to-nation agreements to lock in grain imports, extend grain export pledges to favored neighbors, create food reserves, and similar interventions. *None of these actions are allowed under the WTO*, except—technically—in case of emergency, the current condition of the entire world! In Eurasia, national food initiatives have been taken by Russia, Kazakhstan, Ukraine, China, and other nations. In late April, India made known that it would set up a two-tier grain reserve: one for domestic contingencies; the other for "strategic" back-up.

In Southeast Asia, Thailand, Vietnam, the Philippines, and others are taking actions. Two of the five Mekong Valley nations have called for forming an Organization of Rice Exporting Countries (OREC). Egypt has resumed many food

price and supply controls. In the Americas, Brazil has sent emergency food to Haiti. The Argentine government is in a showdown with British-run cartel farm producers (see accompanying article). Multilateral emergency action for food was discussed April 25-26 by Ibero-American nations, based in Central America. In Europe, French Agriculture Minister Michel Barnier made a renewed call to retain the farmer-supporting principles of the EU's Common Agriculture Policy (CAP). In the United States, the new five-year farm bill draft contains farmer supports.

"Foul!" cry the spokesmen and media representing the London-centered nexus of globalist financial and cartel interests. The *Financial Times*, the *Wall Street Journal*, and their cohorts issue denunciations almost daily, of any nation violating the "markets" by taking people-serving food actions. In the April 30 *Financial Times*, editorial staff member Martin Wolf denounced the "plethora of damaging interventions" being made by nations, singling out the "host of countries [that] are imposing export taxes..." He also targeted those in Europe who want to continue supporting their farmers in any way, especially through the CAP of the EU, which he wants eliminated.

## 'Free' Trade—One Worldism

The crowd behind such statements, has all along coerced nations to get in line—or else—with the free-trade swindles and vulnerabilities, especially since 1984, when the Uruguay Round of agriculture free-trade talks were begun under the UN's General Agreement on Tariffs and Trade (GATT), to eventuate in the WTO. Over the years, national governments were compelled to give up their sovereign rights and responsibilities for food, industry, infrastructure, and workforce programs, in favor of giving freedom over to "market forces"—the euphemism for the British East India Company system of transnationals.

Not just in food, but in all principal sectors of economic activity, cartels of a select few "world companies" have acquired dominating positions. In steel, Mittal, the London-controlled, India-based cartel, dominates. In minerals, large market-shares are controlled by B.H.P. Billiton and Rio Tinto, the British Empire-pedigree mining megas. The Big Oil companies are legendary. Even in essential infrastructure, such as water treatment, highways, and airports, a pack



*In the Philippines, people line up for distribution of inexpensive rice. As shortages grow, the price on the black market is astronomical.*

Noel Celis

of scavenger companies and Ponzi schemes have picked over nations' utilities. The names include Macquarie/Cintra de Concesiones de Infraestructuras, Veolia, Bechtel, and Halliburton.

Over 20% of all the world's retail and grocery trade is dominated by Wal-Mart and Carrefour. Over 80% of the world's grain traded in recent years (just prior to the present-day blowout), was controlled by Cargill, ADM, Bunge, Mitsui, and a few others. Cargill and Coca Cola alone control over 75% of orange juice. A small number of meat and milk mega-firms likewise dominate, including JBS, Smithfield, Suiza, Unilever, and Kraft.

Even control over seedstocks—the means to life—has been arrogated over the past 25 years, through wrongful change in U.S. and other patent laws, policed by the WTO as “intellectual property rights.” Seed supplies are tightly held by Cargill/Monsanto, Dow/Pioneer, and Syngenta.

The result of this interlocking “One World Company,” has been de-industrialization of once productive manufacturing centers, spread of cash-cropping and monoculture, mass movements of displaced people, and increased dependence on imports for food—at a time when supplies are dwindling. The result is now manifest as the world food crisis. Thus, it's a twisted irony when the head of the World Bank, Robert Zoellick, a radical free-trade ideologue, declared in April that he fears poverty will increase because of the food crisis! His logic becomes clear when you consider that the Inter-American Development Bank (IADB), part of the World Bank network, is bemoaning the fact that remittances to Central American nations—from their citizens forced to work abroad—are drying up. The IADB holds that remittances from citizens ex-

ported to work overseas were the best poverty-fighting program Central America ever had!

No. The end result of decades of increasingly “free” (market-rigged) trade, and the insanity employed to rationalize it, has been economic collapse. The hunger and suffering we are seeing are not the “unintended consequences” of well-meaning policies that simply went wrong or were unfair. The policies that undercut nations were intentional and criminal. Look at the perpetrators behind them. Beyond the WTO/World Bank/International Monetary Fund axis, and the big name companies, there are key economic hit men, such as George Shultz, Felix Rohatyn, and such functionaries as George Soros and Bill Gates. They serve the interests of private financial and political circles that, during the 20th Century, were backers of Mussolini's and Hitler's fascist economics.

Now, as years of underproduction by the world's declining agro-industrial capacity results in massive food shortages, the situation is made even worse by the wild speculation on the agro-commodities exchanges, as hedge fund and other hot money floods in for a killing, because real estate and other gambling “opportunities” have crashed. World rice prices are up 122% in one year, wheat prices up 95%, corn up 66%. Overall, food prices are up 83% in three years.

### **Brainwashing for Biofuels**

To brainwash public opinion to go along with economic destruction in the name of free trade, pseudo-science authorities and concepts have been promoted. Most prominent is the myth that the Earth's resources are exhausted, agriculture cannot meet everyone's needs, and population must be re-

duced, in order to “save the planet.” Only low-tech activity is “sustainable.” In reality, it is this very ideology that has fed the current crisis.

The culminating feature of this con game is today’s bum’s rush into bio-energy, which has been foisted on nations as part of energy independence. Now, two unprecedented, vast neoplantation zones of corn-ethanol production in North America, and cane-gasohol in Brazil have come into being, with outlying areas for ethanol and bio-diesel around the world, from Europe to Asia. This year, over 12% of the world’s corn crop is to be processed as ethanol, not for the food chain.

The largest players in this deadly game include the usual names of Big Biofuels: Cargill, ADM, Bill Gates, George Soros, and a few others.

In March 2007, President George Bush and Brazilian President Luiz Inácio Lula da Silva signed a pact to create an international market for cartel bio-mass fuel, including fostering ethanol in the Caribbean, Central America, and Africa. The U.S. and Brazil make up 70% of the world’s current gasohol output, involving a huge diversion of agricultural capacity and infrastructure from food output. In May 2007, Al Gore toured South America to play his biofool role. Ethanol imports are flowing into the United States and Europe, and not just from Brazil. In February 2007, Nicaragua became an ethanol exporter, sending its first shipment of 3 million liters to Europe. In Peru, a start-up cane sugar operation on the northern coast (run by Texas-based Maple Energy), intends to start ethanol exports to the U.S. and Europe in 2009. In April, Brazilian President Lula was in Africa to back ethanol cash-cropping. This is a genocide policy.

Even the UN Food and Agriculture Organization (FAO), founded in 1945 with a mandate to eliminate hunger, has been roped into this biofuel disaster. Last year, an FAO Summit was scheduled for June 3-5, 2008, in Rome, in order to address how to make all the Gorey biofool genocide “work.” Its title is “High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy” ([www.fao.org/foodclimate](http://www.fao.org/foodclimate)). A report was put out in 2007, “Opportunities and Risks in Bioenergy,” co-authored by the FAO and the Economic Commission for Latin America and the Caribbean. Now, this very part of the world is among the worst hit for lack of food and threat of mass starvation. This is the realization of the intent of Al Gore’s green fascism.

Yet, with the scope of the crisis, coming in the midst of the global financial breakdown, the momentum exists to kill the WTO once and for all—and to adopt the measures put forward by Lyndon and Helga LaRouche. Lyndon LaRouche has called for dumping the WTO system, bringing together a



LJM/Chris Jatz

coalition of nations to dramatically increase food production and make it available to all nations in need, and to immediately reverse Gore’s biofuels genocide. This should be the action agenda of the FAO summit.

The following summaries are provided as this week’s updates on the battle.

### ‘You Cannot Eat Money’

Among the most outspoken figures denouncing biofuels and the toleration of food speculation is Jean Ziegler, who, as of May 1, is on the Board of the UN Commission for Human Rights. In an April 28 press conference in Geneva, Ziegler blasted the WTO, arguing that it is protectionist subsidies that allow peasants and small farmers to produce food, not trade liberalization. He also denounced speculation in food, and the biofuels mania, as causing the murderous rise in food prices. In an interview of April 14 in the French daily *Libération*, Ziegler said, “When the price of rice increases by 52% in two months, and cereals by 84% in four months, and when the cost of transporting goods explodes with the hike of oil prices, 2 billion people are thrown into poverty.” Ziegler, before his current position, was UN Special Rapporteur on the Right to Food, and before that served for years as a Member of Parliament in Switzerland.

Ziegler called for a five-year moratorium on biofuels production, on April 29, when he attended a conference of 27 UN agencies, on the food crisis, in Bern, Switzerland.

After the closed-door session, UN Secretary General Ban Ki-moon used a press conference to issue an urgent appeal for \$2.5 billion in donations to respond to the global food crisis. “Without these funds, we risk the specter of famine, malnutri-

tion, and unprecedented social uprising,” he said. Ban is heading up a task force, whose first priority will be to meet the shortfall of \$755 million in funding for the World Food Program (WFP).

So far, the United States has announced aid of \$250 million. On May 1, Canada announced \$50 million; and other announcements are forthcoming.

Relief is urgently needed, but what is kept in the background, is the simple fact that with each passing day, the hyperinflation of food prices makes the donation less valuable in terms of what it can buy. In March, WFP director Josette Sheeran appealed for \$500 million on an emergency basis. She upped that to \$750 million a month later. Now Ban is asking for \$2.5 billion. Meantime, Sheeran is implementing a triage policy, cutting off who gets food aid, and the volume of food money goes down and down. For example, the WFP has recently cut off 450,000 poor Cambodian schoolchildren from their free rice-breakfast program. Last year, the WFP bought rice for \$300-400 a ton in Cambodia; now it costs more than \$700 a ton. So, the WFP just indefinitely suspended the children’s food relief.

This kind of money-donation venality led to a comment

by one of India’s architects of the Green Revolution, agro-scientist M.S. Swaminathan: “These nations used to get grain under the World Food Program, but now they are being given money. You cannot eat money.”

Canadian farmers associated with the National Wheat Board of Canada made the same point about the Stephen Harper government’s shift in policy to donate just money to the WFP, for the first time ever, rather than Canadian-produced grain.

Measured in terms of tonnage of food delivered each year, *world food relief has declined from the levels of 15 million tons a year in the 1990s, to below 8 million tons* in recent years. Even if all of Sheeran’s and Ban’s demands for \$2.5 billion are met, *this will not meet the food relief needs.*

This points up the question: Who will face the fact that what is required is to break with the WTO-markets thinking, and launch emergency initiatives for collaboration among nations to produce more, under new international financial arrangements? Ban Ki-moon, at his April 29 press conference in Bern, spoke in general terms of “going beyond emergency food aid,” to help poor farmers, especially in Africa, with seeds and inputs.

## A ‘Free Trade’ Blight Caused the Irish Famine

The British “free trade” policies that led to the Irish Potato Genocide of the 1840s serve as a model for the practices of the World Trade Organization today. As with Third World countries under the WTO now, throughout the famine, food was *exported* from Ireland. Enough wheat to feed the entire Irish population was shipped out of the country *each year*. More corn was *exported in a month than was imported in a year*. The “market” was not permitted to be “disrupted,” despite desperate need.

Starting when the blight hit in 1845, more people died of typhus, cholera, dysentery, and scurvy, than succumbed to starvation.

What did the benevolent Brits do? They put the Coercion Act through Parliament, authorizing the imposition of martial law. They brought in 50,000 troops. Soldiers and the local constabulary protected foods to be exported, while locals were reduced to beggary. Funds were not allowed to be used for planting crops, reclaiming bogs, or building railroads, supposedly because that sort of subsidy would be giving the Irish peasants an unfair advantage in a “free-trade” world.

The magnanimous Malthusian Brits set up food depots

in 1846, but forbade them to be opened while food could still be procured from the private sector, unattainably high prices be damned. The Poor Law Amendment Act of 1847 prohibited a peasant holding a quarter-acre or more from being eligible for relief.

For more than a century, British “free trade” policies had driven the Irish further and further into immiseration. A 1741 famine in British Ireland killed some quarter million people. In the first decades of the 19th Century, Ireland was hit with 14 years of famine before the famous devastation that began in 1845.

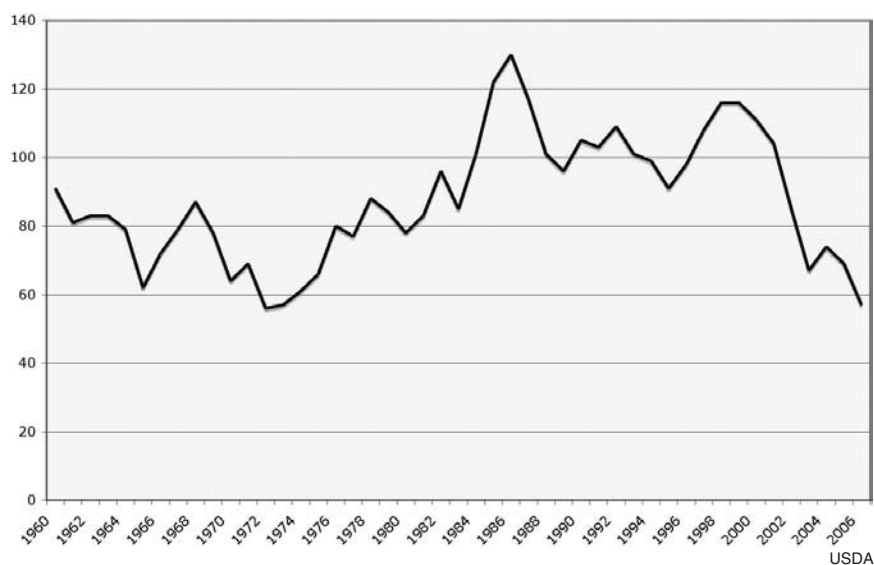
By the early 1840s, the Irish diet had been so destroyed that more than half the men consumed between 7 and 15 pounds of potato *a day*—maybe supplemented by some milk. More likely, water.

Just as Britain tried to do to pre-Revolutionary America, British policy kept the Industrial Revolution out of Ireland.

The 1840s’ ravaging of the Irish potato was caused by *Phytophthora infestans*, thought to have been brought from Mexico. The blight’s arrival found a susceptible population, weakened by policies known to have come from the City of London. By the time the bleeding began to subside, British “free trade,” its Irish collaborators, and its colonial soldiers had caused the death or displacement of roughly a quarter of the Irish population.

It was a “free trade” blight that caused the Irish Potato Genocide.—*Franklin Bell*

FIGURE 1  
World Grain Stocks as Days of Consumption, 1960-2006



But right alongside Ban, World Bank President Zoellick repeated the globalization dictum that nations must stop putting controls on trade in food. Instead they are supposed to serve the market, destroy their farmers, and starve.

### Nations Assert Food Rights

Over the past five months, many nations have ignored WTO prohibitions, and begun to reassert control over food prices, supplies, exports and imports, and agriculture supports. This is especially so for rice and wheat, the diet staples for billions of people.

**Rice.** Over 3 billion people depend on rice as their daily diet. Only about 6.5% of the annual world rice crop (in the range of 426 million metric tons) has been traded in recent years, for a trade flow of about 28 mmt, because most rice is consumed in the nation where it is grown. However, after decades of free trade, there are millions of people in many nations who are dependent on rice imports, which are now short. Rice stocks—carryover from one year to the next—are now at 75 mmt, relatively unchanged for the past three years, while need is rising. Rice stocks in the U.S. are at their lowest level since 1975. Rice prices are up 50% in the last two months alone.

In recent years, the top rice-exporting nations have been: Thailand (9 mmt), Vietnam (5 mmt), United States (3.55 mmt), India (3.5 mmt), and Pakistan (2.9 mmt). These five nations account for some 25 mmt of the 28 mmt exported.

Thailand, Vietnam, India, and Pakistan have all announced rice-export restrictions of various kinds. In the Americas, the United States has typically been the source for rice imports in Mexico, Central America, Brazil, and elsewhere, and rumors are flying over whether the U.S. will be a reliable supplier.

China, often a rice exporter, has cut off foreign flows. Accordingly, importing nations are scrambling. The Philippines has made arrangements with Vietnam for continuing access to rice, and otherwise announced a drive to resume self-sufficiency in rice production.

The nations of the Persian Gulf region—the largest single importing group (2.96 mmt), have tried to continue to get rice from India, the supplier for the U.A.E., and from elsewhere. On April 19 in Riyadh, India's External Affairs Minister Pranab Mukherjee met with Saudi Arabia's King Abdullah bin Abdul Aziz Faisal. India's immediate concern is to invite Saudi Arabia to invest heavily in India's dilapidated infrastructure. In return, India is to assure supply of food to Saudi Arabia and its neighboring allies. At present, Saudi Arabia fulfills nearly 26% of India's oil requirements. Mukher-

jee spoke of India's need of \$500-600 billion investment in infrastructure. In late April, India announced plans for setting up two grain reserves: one for backing up domestic consumption, the other for strategic contingencies.

The poor nations of Africa are in most dire straits. India has pledged to provide rice to Africa. Some 50 million tons of grains of all kinds are needed for imports to the continent, just to maintain the status quo of inadequate consumption. The sky-high prices, and lack of availability at any price, have led to riots from Algeria and Egypt, to nations throughout the South.

**Wheat.** The pattern of world wheat shortages relative to need is similar to rice, although of some 607 mmt produced internationally, 18% is traded, or about 108 mmt. Production is way below what is needed for consumption and adequate reserves. Stocks of wheat are at historic lows. In the United States, which accounts for some 28% of all world wheat traded, the ratio of stocks-to-use (for consumption and exports) is the same as it was in 1946, following World War II. Globally, ending wheat stocks are down from 148 mmt in 2006, to a hoped-for 111 mmt in 2008.

Besides Australia, Canada, and the European Union, which are significant wheat exporters, several other exporting nations have put on export restrictions, given the tight world wheat situation. These include Russia and Kazakstan.

### Central American Emergency Food Action

On April 25 and 26, Agriculture and Health Ministers of Central American, Caribbean, and some South American nations met in two emergency sessions to formulate the outlines of a food-production program for the region, aimed at guaranteeing each nation's food security.

# The European Union's Cupboard Is Bare

by Jean de la Campagne

*The author is a top French agricultural expert; his article was translated for EIR, and subheads added.*

Until recently, the issue of agricultural prices was not a subject of concern for the average French or European citizen. Thanks to higher productivity, prices tended downward in real terms and contributed to lowering the proportion of food costs in the average household's budget.

This situation changed brutally starting in 2006, with the explosion of commodity prices, which began to hit retail prices at the end of 2007.

The turbulence of the markets observed in 2007 represents quite an unprecedented situation in recent history. Agricultural prices are not the only ones affected. After a period of fluctuations around a generally stable tendency following the 1973 oil shock, the totality of raw material prices has exploded since the end of the 1990s. (several estimates confirm this, using different rating methods: Prices were multiplied by 2.3 times according to the CCI Reuters index or by 5 according to the Cyclope report.)

Of course, the oil price, which went from \$10 a barrel in 1999 to over \$100 beginning 2008, with a doubling of its price in 2007 alone, is largely responsible for the overall rise of prices, but prices of agricultural products followed.

On world markets (where prices are fixed in dollars), the basic agricultural commodities traded—cereals and dairy products (butter and skim milk powder)—have gone through an evolution nearly as spectacular. The price of wheat tripled, from \$3 a bushel in 2005, to \$9 a bushel in 2007 (300 euros per ton). The prices of milk powder and butter doubled in 2007, the former going from \$2 to \$4 per ton. More recently, beginning in 2008, rice, which is not traded much on the world market (only 7% of production is exported) has also been hit by price hikes. The entirely new phenomenon is that these increases are being felt in Europe (price increases were slightly lower in euros, because of the evolution of euro/dollar parity).

Several causes are brought up by the experts to explain this situation: bad weather in large producer countries (Australia's drought's effect on milk); the rising living standard of emerging countries, which need more production to satisfy domestic demand; and the massive increase of the pro-

The crisis in Central America is dire, with famine looming over several nations whose ability to produce food has been deliberately destroyed by years of globalization and free trade. One case in point is Guatemala, which was self-sufficient in food production ten years ago, but is no longer. Its food production was replaced by huge projects to produce sugar-cane and African palm oil for export. Its rural labor force was driven into the city, to reside, unemployed, in slums.

Today, one-half of all malnourished people in Central America are Guatemalan—3 million people, the majority of whom are children under the age of five. This pattern is repeated in Nicaragua and Honduras, where leaders fear that growing social unrest over food prices will affect their ability to govern.

On April 25, agriculture and health ministers met in Panama, followed by a second meeting in Managua, Nicaragua the next day, to hammer out a \$560 million plan to finance increased production of basic grains *this year*, for internal consumption or export within the region. The Managua meeting was joined by ministers from Cuba, Venezuela, Bolivia, and Dominica, all members of the Bolivarian Alternative for Latin America (ALBA), founded by Venezuelan President Hugo Chávez.

The plan, which is to be presented to a May 7 heads-of-state meeting in Managua of the 13 participating countries, intends to make the region self-sufficient in production of rice, corn, beans, and sorghum, and also set up a regional network to supply seeds, technology, fertilizer, and other crucial agricultural inputs. Participating countries say they can come up with \$300 million to finance the program, but will have to find the remaining \$260 million from other sources.

But there is no unified conception of exactly how all this is to be done, and the problems in the region underscore the urgency of dismantling the WTO and implementing Lyndon LaRouche's proposal for a New Bretton Woods financial-monetary system. Central America has been devastated by natural disasters, and has a huge infrastructure deficit. It has also been a showcase for the Bush Administration free-trade CAFTA swindle (Central American Free Trade Agreement), whose only achievement has been to destroy the region's food-producing capabilities. And now the biofuels mafia has targetted Central America as a prime location for its lunatic projects.

The debate that occurred between Nicaraguan President Daniel Ortega, who proposed government-to-government food deals, and El Salvador's Health Minister Mario Salaverria, who insisted that the state stay out of such arrangements, and not attempt to control prices, highlights some of the difficulties. What all the ministers did agree on, is that biofuels represent a threat to the region's food supply, and they signed a document to this effect.

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