

MOGC News, Views and Actions
A periodic report on our work, one issue at a time

August-September 2003

The fifth Ministerial of the World Trade Organization (WTO) will be held in Cancún, Mexico from September 10-14. As date of the moves closer, the Maryknoll Office for Global Concerns offers the following update on one of the upcoming conference's hottest topics, trade and agriculture. The following is meant to identify the key issues of debate and report on the work that concerned Maryknollers around these issues. For more information contact us at ogc@maryknoll.org.

Images of broken windows and riot police in the streets of Seattle for the 1999 WTO ministerial haunt everyone's memory as the world gears up for another round of trade debate. Although free trade seems to be the common goal of WTO members, there is disagreement on how to shape the agreements to achieve it, and as in previous negotiations, developed and developing nations seem to hold polar opposite positions. The disagreements are particularly hard and fast around the topic of agriculture, since much of the production in developing countries is agricultural.

For least developed countries (LDCs) the biggest issue is subsidies. Countries like the U.S. subsidize big agribusiness farms which then export basic grains at extremely low prices. Non-subsidized farmers in developing countries cannot compete in selling these same basic grains. Mexican farmers are especially exercised about subsidies since U.S. corn, which streamed into Mexico after NAFTA came into effect, was sold at prices so low that it put many Mexican corn farmers out of business. At the same time, developing countries that are vulnerable to food shortages would like to have the flexibility to offer their farmers subsidies when the country's food security is threatened.

Least developed countries encounter several barriers when trying to sell their products in world markets. At a June meeting in Bangladesh, LDC trade ministers identified the need for increased market access for LDC agricultural products. They also claimed that after the WTO ministerial in November 2001, tariffs on LDC exports had been reduced, but a new trend is for some countries to resort to non-tariff measures, such as "anti-dumping" measures, to advance their interests.

One such case received a good deal of U.S. media coverage in the month of July. The Vietnamese fishing industry stands accused of "dumping," or selling catfish below the cost of production in the United States. Vietnam insists the low prices result from its comparative advantage in the industry – since labor and feeding costs are low in Vietnam, they can produce and sell catfish at a lower price. In a move seen as protectionist, the U.S. Commerce Department ruled that Vietnamese catfish fillets were "dumped" into the U.S. market and the U.S. International Trade Committee subsequently ruled that the unfair competition of catfish imports had caused losses to the U.S. market. Following these rulings tariffs of between 37 and 64 percent were imposed on Vietnamese fish imports.

African trade ministers prepared a common position for the Cancún meeting which was endorsed by the African Union's Second Ordinary Session in July. In the area of agriculture, the African

position raises many of the same concerns raised by the LDCs, but adds to these a concern about the patenting of life, especially seeds. Africans contend that the patenting of seeds benefits only large agricultural companies at the expense of the majority of African small farmers. Patenting seeds threatens bio-diversity, robs small farmers of their self-sufficiency and traditional practices, and makes them dependent on seed companies. Growing from these concerns, the African Common Position emphasizes the mandate coming from the last WTO ministerial held in Doha, Qatar (November 2001) to review a clause in the WTO's TRIPS (Trade Related Intellectual Property Rights Agreement) that regulates seed patenting.

Africans were prepared to fight for this at the 1999 Ministerial in Seattle, and remain firm in their position as they look to the Cancún negotiations. Africans would also like to see more coherence with international environmental treaties designed to protect biological resources. The African Common Position states that "work on the relationship between the Convention on Biological Diversity (CBD), Protection of Traditional Knowledge and Folklore and the TRIPS Agreement should be given more impetus and emphasis in the implementation of the Doha Mandate."

Maryknoll's participation

Maryknollers attending the Mesoamerica area Global Concerns meeting in June 2003 discussed the impact of the WTO agreements on the people with whom they live and work, and named three representatives to seek official WTO accreditation to the meeting. Mr. Cornelio Rivera of Jalapa, Nicaragua; Mr. Jesús León of Oaxaca, Mexico and Kathy McNeely, from the Maryknoll Office for Global Concerns in Washington, D.C., will represent the Maryknoll Sisters of St. Dominic. At least nine other Maryknollers from Mexico, Honduras and Nicaragua will attend the parallel NGO events scheduled the week prior to and during the WTO ministerial.

Maryknollers will bring with them the experience of and stories of people with whom they live and work who suffer the impact of unjust trade rules. These are summed up in the Maryknoll statement on trade entitled *Trading in Justice: The Local Impact of Global Economic Decisions*: (see: <http://www.maryknollogc.org/ecojustice/trading.htm>). Maryknollers will also bring copies of the Maryknoll World Productions video "The Global Banquet: The Politics of Food," now available in English and in Spanish. This video illustrates the impact that unfair trade policies and other global economic policies have had on farmers in the U.S. and in other countries.

Since 1999 the Office for Global Concerns (OGC) has supported the African position on protecting traditional knowledge, seeds and other biological resources. We have worked with others in Washington to promote a congressional resolution in support of African farmers. For more information on this resolution, which was reintroduced on July 25, 2003, see page 19 of the May/June 2002 *NewsNotes*.