

The economic crisis of 1972-73

The economic crisis of 1972-73 was primarily a crisis of overproduction rather than an oil crisis, a crisis caused by a decrease in profits, itself created by a combination of increased investment and Keynesian policies on salaries that had been pursued since the war. The markets in the 'developed' world had gradually become too small for the multinational corporations.

A number of remedies were applied including market deregulation, petro-dollar recycling, the neo-liberal business policies referred to earlier, investment in the Gulf states, and loans granted to countries in the Third World, where the debt crisis followed ten years later. This provided an endless transfer of wealth from the South to the North, but also a powerful lever for imposing the preferred policies of the large transnational corporations and the great powers of the Triad (USA, Europe, Japan) – all of this made even easier when China opened up to the global market.

Perspectives

Conflicts surrounding access to and use of natural resources, in particular fossil-fuels and agricultural land, are bound to increase. The energy crisis and the food crisis, together with the agrarian crisis (resulting from developments in agri-business and bio-fuels), will increasingly affect those who work on the land. (We should remember that rural populations still make up half of the world's total population).

As oil production reaches its peak, there is a high risk that the promised Green New Deal will merely act as a smokescreen for the attempt to stimulate growth through 'Green New Business'. Whether global warming is due principally to human activity or to a temporary increase in solar activity, there will be a time lag between taking action – which seems at the very least timid – and its positive effects on climate, because there is a delay of fifty years between burning the fuel and the consequent formation of greenhouse gases. It will take at least 20 or 30 years to wean ourselves off our dependence on oil (e.g. aviation). Some people advocate slow growth/no growth, but the majority of the poor on the planet have no other choice but to live in "economic slow down" every day. In other words, we need to evaluate very critically all the measures that will be put forward because apart from the fact that they are likely to be nothing more than high-flown rhetoric, rather than being genuinely effective, there is a risk that they will increase the pressures on the great majority of the world's population. It is from below that the changes can come. But the period of transition is likely to be a long one and, in some places, stormy, involving a fair amount of chaos.

Current policies

Restoring the financial system, without strict new regulations, contributes to the maintenance of the financial rent system. Superficial controls make it possible to identify a few scapegoats

A false Keynesianism and pseudo-nationalizations of banks do not constitute a change in their function or control, and besides are not democratic. The rhetoric may change, with a pretence of political control by the state (the remains of the ruling class), but this is as far as it will go: the same elites remain in the service of the same oligarchies. The launching of large-scale government-sponsored public works will not be any great help. The expansion of national debts, in the countries of the North, as in the South, will result in yet more attacks on wages, job-losses, and more widespread job insecurity. None of these measures appears adequate to the challenge facing us in this crisis.

In the Countries of the North

Of course we look forward to and have high expectations of what new technology can provide. This is in line with our growing awareness of ecology, and it highlights the failure of neo-liberal doctrines. We need to develop in new directions: produce differently, consume differently². This being said, in the context of this crisis, in which we must question acquired rights and a standard of life that we have come to view as a basic minimum, there is also the risk of the development of racism and even acceptance of a kind of global apartheid as a way out.

In the Countries of the South

Necessarily, the groups fighting for change are very much more active. For example, the current government in Bolivia with its policies aimed specifically at improving the lot of the majority of the population, promises hope for change. But there is also the growing risk that such efforts result in an ever more inward-focused, domestic orientation.

The outcomes of crises are the result of power struggles, ideological, political, organizational and even military. Food sovereignty is going to become a fundamental issue. We have no other world except this one. It is difficult to imagine improving it without changing it. The present crisis is multi-dimensional and structural: it involves the financial, economic, and ecological spheres, energy, food, culture and civilization. Will it develop into a political crisis? In this context, one of the central tasks of the CETIM will remain forging links and maintaining a dialogue between the peoples' movements of the North and the South.

¹Cf. Christian Dejours *Souffrance en France: la banalisation de l'injustice sociale*, Paris, Seuil, 2000. Reedition Poche, 2009.

²See *Produire de la richesse autrement. Usines récupérées, coopératives, micro-finance,...*, Publicetim n°31, 176 page, 2008.

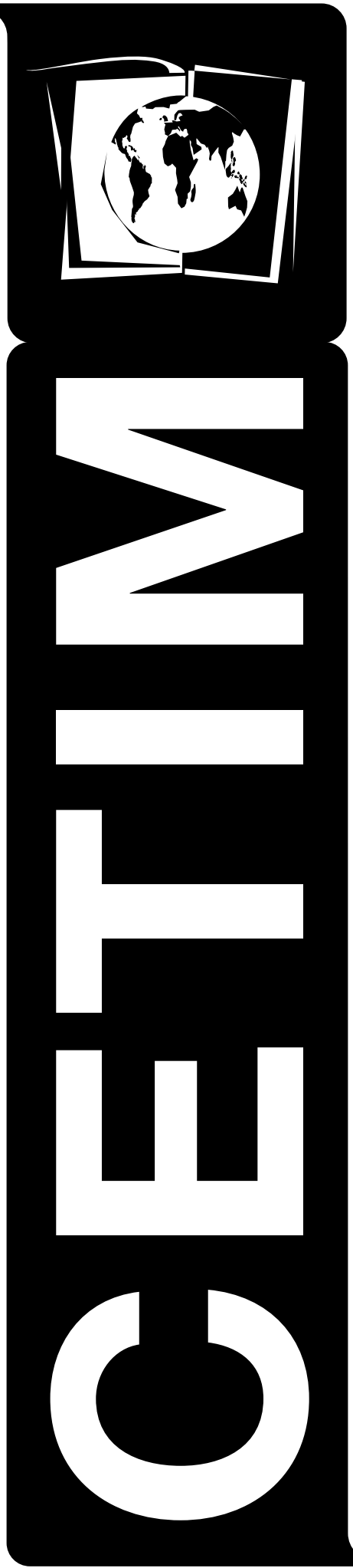
April 2009

Bulletin 34

www.cetim.ch
cetim@bluewin.ch
CCP: 12-19850-1
CCP: (Euro) 91-13687-6,
PofichBe, Postfinance, Berne

6, rue Amat,
1202 Geneva/Switzerland
Tél.: +41(0)22 731 59 63
Fax: +41(0)22 731 91 52

Europe - Third World Centre
Centre Europe - Tiers Monde
Centro Europa - Tercer Mundo



EDITORIAL

The right to food and the food crisis were at the heart of the discussions of the Human Rights Council's tenth session held last March. The Human Rights Council held a discussion on the right to food within the context of the food crisis.

If the discussion allowed an analysis of the food crisis' effect and of new controversies over the right to food (bio-fuels, stock market speculation, climate change etc), it above all allowed representatives of small family farmers and of indigenous peoples, the primary producers of food but also the victims of famine and malnutrition, to set forth the problems they are confronted with and their demands.

It is interesting to note the convergence of analysis between these small family farmers and the two Special Rapporteurs on the right to food (the previous and the current one) in such areas as support to small-scale agricultural producers and the monitoring of the activities of transnational corporations. Most of the speakers were strongly in support of local participation in the decision making processes and of international solidarity in this area.

It is also worth noting that this discussion provided an opportunity for numerous countries and/or groups of countries to present their position on this matter.

You will find a report on this discussion in this issue.

Further, the Special Rapporteur on the right to food presented his annual report to the tenth Human Rights Council session as well as his mission report to the World Trade Organization (WTO). These reports are summarized page 5.

The Human Rights Council also approved the work program of its Advisory Committee, which includes a study of the rights of small farmers (v. page 6).

Finally, the current bulletin recounts Florian Rochat's intervention, Director of CETIM, regarding the international economic and financial crisis made during the CETIM General Assembly of March 2009.

Discussion on the right to food in the context of the economic crisis

Following the lobbying of a group of NGOs, including the CETIM, and in conformity with its resolution 7/14¹, the Human Rights Council (HRC) held a discussion during its tenth session in March 2009 on the realization of the right to food within the context of the food crisis. The purpose of the discussion was: 1. to create a discussion space for those persons affected by the food crisis, allowing them to participate and make known their views within the discussion on the food crisis and the right to food at the international level; 2. to reinforce the human rights perspective in assessing the food crisis; 3. to identify, if possible, new ways and means to reinforce the promotion and protection the right to food in the context of the crisis.

Among those invited to intervene were Mr Paul Nicholson, representing the international movement La Vía Campesina; Ms Andrea Carmen, representing the International Indian Treaty Council; Mr David Nabarro, coordinator of the Special High-Level Team on the Food Crisis²; Mr Jean Ziegler³, former Special Rapporteur on the right to food; and Mr Olivier de Schutter, current Special Rapporteur on the right to food.

In her introductory remarks, which were much noted, Ms Navi Pillay, the High Commissioner for Human Rights, declared, among other things, that the food crisis was not yet over and that the drop in food prices was having a perverse effect on agricultural investment, threatening especially small farms. She expressed her dismay in particular at the fate of the poor, the small farmers and single-parent families. In her view, to move beyond the crisis, it is not only necessary to assert the principle of the right of each person to adequate food but also to attack the roots of the problem: strategies should be devised in a participatory manner, and they should take into account already existing inequalities. The pillars of a solid strategy should be: 1. strong institutions accountable for their actions; 2. sustainable investment in agricultural research and production; 3. support for small farms and the poor, while also supporting their autonomy. Food represents more than consumer goods, and for this reason, agriculture should correspond to considerations other than simple profitability.

Taking the floor, Mr Nicholson, the first of the panelists, recalled that hunger is due especially to policies favoring intensive production for export. He deplored neo-liberal policies imposed by the international institutions (WTO, IMF, World Bank) and the privatization of natural resources that deprived small farmers of their lands. He also denounced the control of the production process by the transnational corporations as well as speculation on natural resources. Having

natural resources in the hands of speculators results in lower prices for producers and higher prices for the consumer.

With the food crisis, there is an acceleration of these phenomena, with horrible consequences, declared the representative of La Vía Campesina. The proliferation of bio-fuel production constitutes another source of dismay for the international movement of small farmers. Mr Nicholson recommended a change of policy, emphasizing food sovereignty and the rights of the consumer. He further recommended setting up a policy that would allow the redistribution of land and access to resources. Seeds should be less expensive for small farmers. National markets should be stabilized and the transnational corporations should be controlled in such a way that their activities will be in conformity with the established policies and in the public interest.

Moreover, to counter rural poverty and hunger, Mr Nicholson advocated the drafting of an international convention on the rights of small farmers. He pointed out that the security of the world's populations depends on the well-being of its small farmers and the viability of agriculture.

In response to various questions, Mr Nicholson emphasized that food is a local and regional product, and that is why it is important to adopt a new paradigm for development, building on the lower echelons of society. Agricultural policies should be defined as much as possible at the local level, he stated.

Ms Carmen, for her part, drew attention to the collective right of indigenous peoples to food and to food sovereignty, as well as their right to self-determination. She pointed out that the right to food must include respect for cultural diversity. Moreover, she denounced the lack of access to land and resources, environmental pollution and free trade, all of which have a direct effect on prices and local food production. Ms Carmen recalled also that indigenous peoples are very vulnerable populations and that the production of bio-fuels⁴ has produced forced displacements of certain indigenous peoples.

She further recalled that the two covenants on human rights⁵ stipulate the right to subsistence. A minimal framework was also put in place by the Declaration of the Rights of Indigenous Peoples, which obligates governments to respect the lands and natural resources of indigenous peoples. It is important to establish partnerships so that these provisions can be implemented, she stated. Further, governments have the obligation to oversee the respect of the rights of indigenous peoples by the transnational corporations operating on their territory.

As for Mr Nabarro, he deplored the great volatility of food prices that makes any planning impossible. He pleaded for a coordinated effort and clear common



A short history

The crisis of 1929-30

Let us recall one of the most serious economic crises of the past, the 1929 stock market crash and the depression which followed it during the 1930s.

There were primarily two sorts of response to this crisis: the social and political compromise combining wage-based Fordism and governmental policies based on Keynesianism; fascism, which brought together hierarchical politics and trade unionism, a collusion between big capital and military expansionism.

The resolution of this period of great crisis was not technical, not dependant upon 'good' or 'bad' decision-making. Rather, it was the result of power relations between different social and political forces, and between different social classes and nations. In certain places, workers' movements and social democratic parties – benefiting from the fear that Soviet communism inspired in the middle classes – established themselves as genuine forces of opposition. In other places, they were defeated by an alliance of capital and fascism, and this led to war.

The failed promise of Bandung

In 1955, at Bandung, there was an attempt to launch a New International Economic Order (NIEO) and with it offer some hope to the people of the South of winning complete independence and of making the world a somewhat fairer place. With the breaking up of established colonial empires (France, United Kingdom) and the assertion of American power, and against the background of the Cold War, the opportunity for global Keynesianism had passed. Faced by a fairly united front of non-aligned nations, the response of Kissinger and the neo-liberals, whose influence was then ascendant, was the domino theory, military interventionism and coups-d'états (as in Indonesia, Chile etc.). The sabotaging of the UNCTAD, and the abandonment of the NIEO did the rest.

All of this encouraged the emergence of 'puppet' elites in the Third World, followed by the emergence of a lower middle class of comfortably off white-collar workers with a Western standard of living. (With 15% to 20% of the population in India and China achieving a European level of consumption, the world market would double.) It should also be noted that the failed compromise at Bandung led to another development. The limitations of a Western style development would have become rapidly apparent necessitating the adoption of other policies. Instead, the decision was taken to concentrate on the market in consumer goods, on credit if necessary. To this end, consumer goods were produced with an ever shorter life span and major (infrastructure) projects were promoted which were, for the most part, as costly as they were useless and destructive. This was the 'answer' to the next crisis, in gestation.

For most people this meant demands for increased productivity, working under increased pressure, constant changes in work practices, inadequate or barely adequate staffing levels bordering on unemployment, temporary contracts, threat of redundancy, redeployment etc. In the North, this culminated in job-losses, depression, 'burn out' (cf. 'Souffrances [Suffering] en France' by Christian Dejourn), and finally eviction for those who were no longer able to pay their mortgages. For the people of the South (apart from a relative handful of white-collar workers in places such as China or India, whose standard of living approached that of people living in the West), misery, the food crisis, rural exodus.

For a tiny minority, on the other hand, it was the opportunity to amass colossal sums of capital which then needed to be invested, leading to a proliferation of multilayered financial products: takeovers, mergers, buybacks. But neither these mechanisms, nor the consumption of luxury goods could absorb all the excess capital, so, the system needed new markets, offering better returns, outside the commercial and manufacturing sectors.

This led to a huge expansion of the global financial markets, a centralization of capital on an unprecedented scale, and the creation of giant financial oligarchies, all interconnected but at the same time in permanent competition across the globe. And this included not only the banks, insurance companies and others, but also the large industrial cartels, with their financial holdings (generating 40% of their profits). These financial oligarchies began to dominate and to exercise an increasing drain on the real economy.

The world has witnessed an undeniably explosive expansion of the financial and money markets, especially with the floating of exchange rates (since 1971) and the liberalization of interest rates, each multiplying the mechanisms for preventing risk.

The result was that the annual turnover of transactions being carried out on the financial and money markets reached unimaginable dimensions, beyond our ordinary comprehension: two thousand trillion dollars, 40 times the global GDP or 120 times the total value of international trade. This money, largely imaginary, actually sucks the real economy dry by devaluing production, whereas production is the only place where real wealth (surplus value) is created.

The growth of these financial oligarchies led to the impoverishment of large numbers of workers around the world. It also explains the enormous expansion of financial products known as "derivatives".

In order to get a clearer idea of the present crisis and its potential consequences we briefly need to look further back in time.

For the World Trade Organization (WTO), the promotion of food self-sufficiency can have highly negative consequences for the country in question, for trade is part of the solution to the problem of food security for all.

Bangladesh recalled that the resources and arable lands of the planet are limited. The representative deplored the threat that the production of bio-fuels constitutes for the availability of food products. He emphasized that, in dealing with the food crisis, responsibility was not only national but also involved non-state and international stakeholders.

For Brazil, the hydrocarbon market has aggravated the food crisis. Trade liberalization and the Doha Round could represent a solution for food trade. A just system must prevail, he added, referring to agricultural export subsidies as one of the main sources of distortion.

South Africa emphasized that the world financial and economic crisis, added to the food crisis, presents numerous challenges and obstacles to the enjoyment of economic, social and cultural rights. South Africa assured the Human Rights Council of its cooperation in making sure that all concrete efforts contribute to the realization of the primary Millennium Goal for development, which aims to eliminate extreme poverty and hunger.

Indonesia declared that the problem of malnutrition and hunger arises from social inequalities and that the efforts expended so that all may have enough to eat must take into account the social aspects of the problem. National and international policies must aim to create employment and include environmental aspects. Referring to certain attempts to produce energy, the representative emphasized that certain initiatives have had highly negative effects on inflation and on access to food. It is urgent that donor countries furnish more food aid. Moreover, the right of recipient countries to fashion their own development policies must be respected.

For Turkey, the overall solutions that must be implemented must be introduced in such a way as to allow maximum flexibility for governments so that they can take specific measures likely to protect their own farmers.

South Korea focused on the importance of adopting an approach based on needs and of promoting the active participation of civil society in the resolution of this crisis. Whereas the financial crisis is aggravating the food crisis even more, she emphasized that the world cannot hide behind the financial crisis as an excuse for neglecting problems such as hunger and poverty.

CETIM position

In its joint oral statement, the CETIM pointed out that the causes of the food crisis, just like its principal victims, are well known. It emphasized that this crisis hinders the realization of fundamental rights

such as the right to life. Observing that the rules of international trade favor the most powerful, the CETIM deplored the lack of mastery by small farmers of the production and marketing processes of their products. Worse, the policies of most countries only reinforce the current situation, to the detriment of food sovereignty of peoples. In this context, the CETIM estimates that the proposal of the Consultative Committee to conduct a study on the rights of small farmers should be supported by the Human Rights Council. This study, the CETIM affirmed, is indispensable and constitutes an adequate response to the food crisis and to the financial crisis that is following close on its heels.

The discussion related above was rich in lessons to be learned, and it is hoped that the proposals made within its framework do not remain mere wishful thinking. They must be followed by action. It should be noted, moreover, that many countries did not intervene, for lack of time, or did not wish to make public their position. In the same vein, among the countries that took the floor, some (European Union) contented themselves with putting questions to the panelists while others (Tunisia, Senegal) preferred to concentrate on their national situation.

¹ During its seventh regular session, held in March 2008, the Human Rights Council had decided "to organize a group to reflect on the realization of the right to food in the course of the period of its principle 2009 session".

² Set up by the U.N. Secretary-General on 28 April 2008, following "food riots" in 25 countries. It is chaired by the Secretary-General himself and includes all the U.N. agencies (including the FOA), the Bretton Wood institutions and the WTO. For further information, consult the internet site of the special team: <http://www.un.org/issues/food/taskforce/index.shtml>

³ Mr Ziegler, in his capacity of expert, is currently a member of the Human Rights Council Advisory Committee.

⁴ In the annex of his report submitted to the ninth session of the HRC (8-26 September 2008) within the framework of the follow-up to the special session of the Human Rights Council on the food crisis, the Special Rapporteur on the Right to Food analyzes the effect of bio-fuels on the right to food (A/HRC/9/23, 8 September 2008)

⁵ Adopted in 1966, they have to date been ratified by 160 states and, thus, have a legally binding character.

WHO ARE WE?

Through its publications and its work with the UN, the CETIM denounces the maldevelopment in general, ecological as much as economic and social, and promotes an exchange of critical views from both Southern and Northern societies. The CETIM is focused in particular on respect for, implementation and promotion of economic, social and cultural rights, as well as issues related to the right to development.



Reports of the Special Rapporteur on the right to food

With the provocative subtitle, "Moving from charity to obligation"¹, the Special Rapporteur on the Right to Food analyzes in his annual report the contribution of international cooperation to development and that of food aid to the realization of the right to food. According to the Special Rapporteur, the two forms of assistance are progressively taking the form of a continuum of interventions aiming at assuring both long-term food security and fast solutions to specific crisis situations. He states that these practices have been undergoing a reexamination for several years now, and he proposes an approach based on the right to food taken from all perspectives: definition of the duties of donor countries, identification of the tools on which policies depend, evaluation of these policies in order to improve them. Fundamentally, such an approach, centered on human rights, transforms a bilateral relation between donor and partner into a triangular relation in the framework of which the beneficiaries of aid policies play an active role as holders of rights, while the donor and government partners are bearers of obligations.

Report on the mission to the WTO

In his mission report², the Special Rapporteur studies the connection between the agreements concluded within the framework of this organization, in particular the Agreement on Agriculture, and the obligations of member states to respect the right to food.

Among the major effects on the right to food resulting from the current multilateral trade regime, the Special Rapporteur mentions: 1. the increased dependence on international trade which can lead to: the loss of export income when the prices of export products drop; threats for local producers when low-price imports arrive in domestic markets; and balance of payment problems in net food-importing countries when food prices increase; 2. the potential abuses of dominant market position arising from the increasing concentration of agri-business actors (transnational corporations) in the food supply chain and an increase of dualization of the domestic agriculture sector; 3. potential effects on the environment as well as on human health and nutrition, effects ordinarily ignored in international trade talks in spite of their direct link to the right to food.

Deploping the lack of coordination between the international trade regime and human rights, the Special Rapporteur proposes solution to conciliate trade and the right to food. Among these, the Special Rapporteur affirms the necessity of taking into

consideration human rights already at the negotiating stage of trade agreements and of evaluating their effects on the realization of the right to food. These trade commitments must also be limited in time and be reevaluated periodically. Governments must also establish a national strategy for the realization of the right to food. Such a policy, by identifying the food insecurity of the country in question and the measures necessary to deal with it, would serve as a guide in the conduct of negotiations, not only within the WTO but also with other parties, international financial institutions, donors, or during bilateral trade negotiations. These measures would finally allow a democratization of the process by authorizing civil society to participate in the evaluation of trade policies, thus favoring openness and consistency between international commitments and national efforts.

The realization of the right to food can be effective only if there is a decrease in the dependence on international trade. The reinforcement of the agricultural sector diminishes the vulnerability of small farmers and allows the government to minimize its dependence resulting from the volatility of international prices. It is also necessary to maintain the preferential treatment systems.

Transnational corporations must be subject to greater control, especially when their activities are carried on outside their home country.

¹ V. A/HRC/10/5, 11 February 2009.

² V. A/HRC/10/5/Add.2, 4 February 2009.

JOIN THE CETIM!

- Individual member:** 50 CHF / 30€ or US\$ (North) and 10€ or US\$ (South). Membership dues for retirees, students, apprentices and the unemployed are one half of the above stated amounts.
- Supporting member:** CHF 100 / 60€ or US\$ and more.
- Collective member:** CHF 200 / 120€ or US\$.
- Supporting collective member:** CHF 500 / 300€ or US\$ and more.
- "Moral support" member:** CHF 15 / 10€ or US\$.

DUES ARE PAID FOR THE CALENDAR YEAR AND ENTITLE THE MEMBER TO:

- For every new member there is the gift of a book of Publicetim collection. (with the exception of "moral support" members)
- receive free the CETIM's newsletter.
- a 20% discount on the books and publications ordered from the Centre. (except for the category "moral support" member)

The rights of small peasants ?

During its first two sessions¹, the Advisory Committee set up a working group on the right of food and established a working program in this area. Among the activities of this working group is the drafting of a study on “the food crisis, the right to food, agricultural subsidies and the rights of small farmers”.

In a resolution adopted without a vote during its tenth session², the Human Rights Council “acknowledges the work undertaken by the Advisory Committee on the right to food” (§35) and asks the Committee “to undertake a study on discrimination in the context of the right to food, including identification of good practices of anti-discriminatory policies and strategies, and to report on it to the thirteenth session of the Human Rights Council [March 2010]” (§36).

If the above cited resolution does not mention explicitly “the rights of small farmers”, it nonetheless allows the Advisory Committee to include them in its study. In fact, in the context of globalization, small farmers more than ever need protection. It is moreover gratifying to note that the Human Rights Council itself recognizes in this resolution the problems confronting small farmers.

The Human Rights Council “recognizes that 80 per cent of hungry people live in rural areas, and 50 per cent are small-scale and traditional farm-holders, and that these people are especially vulnerable to food insecurity, given the increasing cost of various inputs and the fall in farm incomes, that access to land, water, seeds and other natural resources is an increasing challenge for poor producers, and that support by States for small farmers, fishing communities and local enterprises is an element key to food security and provision of the right to food” (§ 12).

In this context, the Human Rights Council “stresses the need to guarantee a fair and non discriminatory access to land rights for smallholders, traditional farmers and their organizations, including in particular rural women and vulnerable groups” (§ 6).

It further “stresses the importance of fighting hunger in rural areas, including through national efforts supported by international partnerships to stop desertification and land degradation and through investments and public policies that are specifically appropriate to the risk of drylands, and, in this regard, calls for the full implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa” (§ 13).

¹ Held respectively in August 2008 and January 2009.

² V. Resolution A/HCR/RES/10/12, 26 March 2009.

CETIM General Assembly – 14 March 2009

Discussion of the economic crisis: origins and mechanisms

Florian Rochat began his account of this vast topic by looking at the crisis in the so-called sub-prime mortgages in the United States. He noted that the current global financial crisis could just as easily have been triggered by a crisis in the credit-card sector or any number of other areas.

An outline of 'subprimes'

Mortgages were approved on a huge scale for high-risk borrowers. Once these loans had been granted, they were sold in the money markets to financial institutions (banks and insurance companies). These transactions were intended to spread the risk of default. But more importantly, they were designed to absorb the increasing amount of excess capital in search of investment opportunities: layer upon layer of paper-transactions bought and sold, stacking up endlessly in a vast pyramid. With each transfer, interest and dividends were paid out, raising the level of interest being paid at the base of the pyramid, which increased the value of these investments, but also increased the risk of general collapse.

The large number of defaults by borrowers at the base of the pyramid - who then faced a reduction of their living standards, greater job insecurity, rising levels of debt, and an increase in the cost of living - began by affecting America's second largest mortgage brokerage firm, which went bankrupt as early as 2007. It took in its wake other service industries (mainly insurance companies) which in turn led to a collapse of the mortgage market, spreading gradually to the entire financial system of the United States and finally the global economy.

How can we explain the extent of the crisis in the global financial markets?

At the root of the financial crisis lie several decades of neo-liberal business practices.

We need to look back to the ideas that began to appear in the Western media at the end of the 1970s and the beginning of the 1980s and which triumphed politically with the election of Reagan in the United States and Thatcher in the United Kingdom, before crossing the Channel a few years later. Officially, it meant ‘unfettering the economy’. In reality, it meant restoring profit levels, which, in the view of stockholders, had fallen too low in the course of the post-war boom (1945-75), and of expanding markets that had become too small for the global ambitions of the transnational corporations.

The results surpassed their hopes!



States and international institutions positions

Cuba, in the name of the Movement of Non-Aligned Countries, declared that the international financial and economic institutions should take into account the human rights dimension. They need to be thoroughly reformed in order to become open, fair and non-coercive. It is necessary to support agriculture in developing countries; the rich countries should end their agricultural subsidy policies, which constitute a distortion of the food market. Also, it would be advisable to consider structural changes in order to prevent a repetition of food crises. In the same vein, the effective implementation of the right to development has a key role to play in reinforcing the ability of developing countries to deal with future food crises.

Pakistan, speaking for the Organization of the Islamic Conference, affirmed that the immediate challenge is to aid those who are most affected; any passiveness or inappropriate reaction constitutes a violation of the right to food.

Chile, representing the Group of Latin American and Caribbean Countries (GRULAC) said it was convinced that any discussion on the right to food should be based on the recognition for all of the fundamental character of this right. Governments should mobilize both individual and collective efforts to protect and promote this right. He pointed out that hunger has always affected humanity, whereas enough food is produced to feed everybody. We must find solutions, he insisted. Among the obstacles to the realization of the right to food, Chile cited, among others, climate change, environmental degradation, the impact of financial speculation and protectionist practices and agricultural subsidies. International trade, he recalled, has a responsibility to facilitate access to food. In this perspective, he reckoned it urgent to undertake concerted measures to establish the bases of sustainable solutions by paying particular attention to those who are most vulnerable.

In the opinion of China, the food crisis is turning out to be more serious than the financial crisis. One cannot but admit that developing countries have ever greater difficulty in feeding their populations: it is thus to be hoped that the developed countries will aid them.

For Iran, the realization of the right to food requires international cooperation. Iran emphasized that governments must support those who need assistance.

Luxemburg asked if the U.N. was disposed to recommend the revision of the structural adjustment programs whose negative impact has often been cited. The exercise of the right to food requires in increase in purchasing power, the Luxemburg representative emphasized, insisting in this regard on the importance of stable prices and remunerations for the earth's products.

policies, supporting a concerted action within the United Nations to help governments realize the right to food. He also called for a mobilization of resources to help those most affected by hunger. Mr Nabarro emphasized the importance of the participation of civil society and of the most vulnerable in the making of decisions to realize the right to food. He expressed his satisfaction with the distinction made between food security and food sovereignty.

During the discussion, Mr Nabarro explained that many of the questions asked are covered by the report on the food crisis that the Secretary-General will present soon at the U.N. General Assembly. He also acknowledged that structural changes are indispensable. Agricultural development aid should be considerably increased, he emphasized.

Mr Ziegler listed three principle causes of the food crisis, which call for immediate responses: 1. the debt of the countries of the South; 2. agricultural subsidies of the rich countries (for exports – agricultural dumping); 3. speculation in food staples. He also pleaded in favor of food sovereignty and asked that governments formulate consistent policies within the various institutions: those who defend the right to food within the Human Rights Council do the exact opposite at the World Trade Organization. He also called for governments to espouse the UNCTAD proposal of proclaiming the three primary cereals (wheat, rice, corn) public assets in order to stabilize their prices on world markets.

Mr de Schutter started out by emphasizing that the cause of hunger was not the lack of food but the lack of access to food. In his view, the current food trading system is thoroughly unacceptable and should be ended. Today, small farmers buy their input material at retail prices and sell their production at wholesale prices. There is a huge gap between the prices paid by the consumer at the end of the chain and the income that the producers receive. Further, agricultural production must be structured so as to be able to absorb shocks such as climate vagaries, especially since production predictions will soon become even more difficult because of climate change. He is in favor of the adoption at the international level of targeted measures to combat malnutrition and to reinforce international solidarity. He emphasized that the ILO conventions should apply to agricultural workers, who suffer from hunger, that the right to land should be guaranteed and that small farmers should be protected from forced evictions. Moreover, he deplored that the recognition of the right to self-determination is effectively nullified by the activities of transnational corporations. He also opined that the green revolution model carries with it a fair number of disadvantages. He pleaded in favor of developing sustainable and organic agriculture in the face of climate change.