
Interview: Hartwig de Haen

LDCs face 'chronic undernourishment'

During the Seattle World Trade Organization (WTO) summit, the UN Food and Agriculture Organization (FAO) maintained an information office, and held two briefings off-site, to provide details on the world food situation. On Dec. 2, Marcia Merry Baker interviewed Dr. Hartwig de Haen, Assistant Director General, FAO Economic and Social Department.

EIR: At the WTO summit, there may be some part of a communiqué proposing that the 48 Least Developed Countries be allowed more duty-free "market access." But, in fact, these are the very nations that have food insecurity and need economic action.

De Haen: Yes, these countries are amongst those that have the highest share of chronically undernourished. They are highly dependent on food imports. They have difficulties in developing their own agriculture. These countries have been promised some help in the adjustment of the new international trading environment, in the so-called Marrakesh Decision on the negative effects of the reform process. This assistance has not been provided, partly because it is, in fact, difficult to prove, which part of their problem stems from trade problems, and which part from natural disasters, the Asian crisis, and so on. But this is, of course, let me say, rather bureaucratic argumentation. Because in fact, their import bills have risen very drastically in the last years.

EIR: About how much do you think it has risen during the last couple years of the financial turmoil?

De Haen: Well, I cannot give you a figure, but the increase is significant.

EIR: Is there one example that comes to mind of the situation—North Korea, or Indonesia, or somewhere—of the 35 nations where you have FAO missions? What shows the need for food?



De Haen: You have just said it. Thirty-five countries are currently in a situation of food emergency. This comes on top of the chronic hunger that we reported. These countries are mostly countries that have a severe political crisis. In fact, the major part have civil strife or war. These countries, of course, have, first of all, to get humanitarian aid, because many [of the hungry] are refugees and are totally devastated in terms of their support basis. And, on the other hand, the number of people in these countries that are directly affected by famine, are 52 million.

EIR: The total volume of food aid is declining internationally recently, is that correct?

De Haen: No, it has declined from the early 1990s, but it has recently increased. However, I must say that the increase is mainly because one particular country is now a huge recipient of food aid, and that is Russia.

From Summit Briefings

Cargill: 'We have far from a monopoly'

On Dec. 2, a WTO summit off-site briefing was held on a new "Food Chain Coalition," formed by the Washington, D.C.-based Emergency Committee for American Trade (ECAT), which is run by Cargill, Inc. and other food cartel companies. Their ECAT policy demands include a new multilateral trade round to lower remaining barriers to free trade, stricter WTO rules for compliance with seed and other patents (intellectual property rights), and low taxes on foreign-source income. The coalition is a public relations effort to promote the fraud that free trade will feed people. On Dec. 2, a video was released on the "story" of the food chain, and speakers included U.S. Reps. Jim Kolbe (R-Ariz.) and Cal Dooley (D-Calif.), ECAT president Calman Cohen, and Ernest S. Micek, who is chairman of Cargill, Inc. and of ECAT.

EIR: There are briefings this week by the UN FAO on world food shortages, in which the 48 Least Developed Countries stand out as having chronic malnourishment. FAO figures show that close to a billion people in these and other countries lack enough to eat. The grains they depend on for 40% of their diet, have gone way up in import-prices over the last three years. They are eating less. Still more "free trade" promises no help.

Cohen: I have not seen the specific statistics described, and an explanation for them. But I believe that, when you are



Ernest S. Micek (right), chairman of Cargill Inc., spoke Dec. 1 and 2 in Seattle at WTO side events, promoting free trade. He stands in front of a poster put out by his new P.R. group, "Food Chain Coalition."

talking about removing barriers to trade, whether it's in food, or in other items, you can't have a one-for-one translation between bringing the barriers down and what happens in one specific area. We are talking, I believe, as Congressman Kolbe was, about wealth creation, which will have ramifications that we in the room are not going to be able to describe at this point. It is our belief that there will be over time—and this might not be an adequate answer for you—but there will be over time, changes occurring in those economies around the world that will mean a better life for those people. We believe that what has occurred in the United States through more open trade, has benefitted all of us here. That is not to say that in any point in time, there may not be some negative consequences, and we cannot suggest that everything is going to be positive, but we believe that the *trend* is going to be positive, and it is going to provide a better life for those around the world.

Micek: Part of what you might be referring to is exchange rates in some of these countries, because as far as the United States is concerned, cereal grains and food grains [prices] are at 20- to 30-year lows. So, if they're buying food, their cereal and food grains, from the United States, what you just suggested does not follow. But we've had some very significant revaluations of currency since 1997, and that may account for part of it. But also, a number of these countries have internal barriers that set, or establish a price to the consumer that may also affect their cost. I haven't seen the numbers, or who it is

exactly, so I can't be more specific than that.

Dooley: Another central component of this food chain approach is the issue of food security, and Ernie [Micek] just talked about some of the internal barriers that some of these lower-income developing countries put in place. A lot of those internal barriers are put in place in order to try to promote greater food self-sufficiency in those countries. If we can adopt a policy of food security where the producing nations, the export-producing nations, commit to ensure that any country will always have access to the marketplace to secure the needed food supplies in times of short supply, as well as excess supplies, we also can give greater confidence to those countries to rationalize, and to reduce those internal barriers to trade, because they will have the confidence that there will always be the ability to access the market. . . .

Q: . . . What can the U.S. do for food supplies for other parts of the world? . . . What about monopoly?

Micek: First of all, we have far from a monopoly. In most cases, we have about 25% of trade on various products, that is not anywhere close to a monopoly. There are many, many other industries that have much higher levels of market share than we have. We are so closely connected to the farmer; we're also closely connected to weather. There are all kinds of factors that are involved which help make the food chain go. We don't impose unilateral sanctions, for example. Governments do that. We have nothing to do with unilateral

sanctions, and they have been used. In fact, I can tell you that I gave a presentation in Hong Kong in mid-May, and I addressed the open food system concept. I had a Japanese gentleman come to me, and he said, "Well, this is all very good, Mr. Micek, but we remember back in 1973 when the United States put an embargo on soybeans, and cut across contracts, and stopped shipping soybeans to Japan." He said, "You know, this is food [we can't do without]. We had to go elsewhere. We ended up having to go to South America." Now, if the people you talk to say we have a monopoly because we now can ship from Brazil to Japan, I think they are totally missing the point.

The other part of the food chain, and I don't want to get into this—I think that to pick on a link in the chain is unfair. We have customers, and those customers of ours have customers. The ultimate customer is the consumer. The facts are that, today, the United States, the margins that we get, or the farmer gets for the work, the value that we put into food, is very marginal. I suggest that the people who you are referring to need to start at the front end of the chain, and that is, say, with the retailer, and then go through and see where the margin is.

Not another 'period of colonization'

On Dec. 2, the evening before the WTO summit ended in failure, an impromptu briefing was held in the Convention Center media room, by African, Caribbean, and South American spokesmen, denouncing the way the conference had been proceeding.

Tetteh Hormeku, *Third World Network, Africa Secretariat, Ghana:*

We did a lot of preparation for these meetings, on the basis of an organization which we've established for the regional negotiating agenda, and I think, after having prepared ourselves and come to Seattle, we are now very much disappointed, over the fact that coming from small economies, small developing states, we end up with a situation where we are now marginalized from the process, which has been virtually hijacked by the wealthier developed countries. I would not wish to name names, but you probably know who I am speaking about. I would like to say that many of our colleagues, at least two of our colleagues, have attempted to participate in what is called the "Green Room" process, which is a process which we are very much opposed to, because it smacks of the lack of transparency. And you know that a lot of people are talking about transparency, but when you ask them to practice transparency, it's another

matter. And this Green Room that's been established is creating tremendous problems of frustration and isolation. There is a lack of information. We don't know what's going on.

Clement Rohee, *Guyana Foreign Minister:*

There is a need for special and differentiated treatment for our countries. We have vulnerable economies; they are always battered by hurricanes and all kind of different natural disasters. Sections of our countries are not highly developed. We are still faced with one-crop economies, and we depend a lot on preferential market access to countries, especially in Europe. So now trade liberalization is moving, [but] we need time. We want to participate as equal partners in this process. We don't want another period of colonization to take place.

Dr. Shridath Ramphal, *Caribbean Community negotiator, and former Secretary of the British Commonwealth:*

I am a member of an organization [that represents many countries], and I am not consulted. I am not even invited to participate in the process by which a conclusion is reached. How can I be asked to concur? And if I do not concur, there is no consensus. And that is what will happen tomorrow.

Q: So you will vote everything down?

Ramphal: There is no question of voting everything down. One doesn't even know what there is to be voted down, yet! The participation is so flawed, that it is impossible to say at this stage, what Charlene Barshefsky will put before the meeting tomorrow as her conclusion for which she seeks consensus. Now, it is only then that one can say whether what is before us is so minimalist and so ineffectual that one can go along with it, or whether it is an attempt to force a view of others, which they do not share. If it is the latter, then, obviously, countries from the Caribbean, from Latin America, from Africa, from the Pacific, will say, "No."

Q: Labor and environmental issues?

Ramphal: Well, I am concerned, of course, about that. [But] I have a deeper concern. I am concerned that the real tragedy is being played out in Seattle in a very important area of internationalism. This should not be a game about enhancing corporate profits. This should not be a time when big countries, strong countries, the world's wealthiest countries are setting about a process designed to enrich themselves. The WTO was designed to create fair trading conditions for the whole world.

... I was at a meeting this morning of the central committee where the bangs on the table were so loud that they went all around the room. It wasn't even banging from one quarter. My colleague spoke just now. His was one of the voices raised in protest. And what he received was the applause of the entire room. Now, if that doesn't convey a message to the person who is sitting in the chair [the chairman], it is difficult to say what will reach the ears of the authorities of the United States.