

# Is food different?

review by GRAIN

*"I am 56 years old, a farmer from South Korea. I have mostly failed, as many other farm leaders elsewhere have failed. We cannot seem to do anything to stop the waves that have destroyed our communities, where we have been settled for hundreds of years. I have tried to find the real reason and the real force behind those waves. And I have reached the conclusion, here in front of the WTO.*

*Our fears became reality in the marketplace. We soon realised that, despite our best efforts, we could never match the prices of cheap imports. We became aware that our farm size, 1.3 hectares on average, is a mere one-hundredth of the farms in the large exporting countries. Since massive importing began, we small farmers have never been paid as much as our production costs. Sometimes prices would drop fourfold, all of a sudden.*

*The farmers who gave up early went to urban slums. Others who tried to escape from the vicious cycle have met with bankruptcy due to accumulated debts. For me, I couldn't do anything but look around at the vacant houses in the village, old and decaying. Once I went to a house where a farmer took his life by drinking a toxic chemical because of his uncontrollable debts. I could do nothing but listen to the howling of his wife."*

This is an edited version of the statement distributed by Lee Kyung Hae shortly before he took his own life on 16 September 2003 in Cancún, Mexico, in the mass protests against the World Trade Organisation (WTO) talks. In the early 1990s, after the Korean government had dismantled trade barriers and the market had been flooded with very cheap imported food, millions of farmers lost their farms. For many, the shame brought by losing their ancestral land was unbearable. Peter M. Rossett dedicates this book\* to Lee Kyung Hae.

Rossett, a food rights activist and rural development specialist, has written a clear and extremely accessible account of the impact of trade liberalisation on farming and, more particularly, on small farmers throughout the world. Much of the material is well known, but Rossett provides flashes of insight. For instance, he questions the widely held assumption that it is the high level of subsidies that the US and the European community pay to their farmers that makes their produce so cheap. It might seem logical, he says, to blame subsidies, when you see very cheap American maize flooding the Mexican market, but it is wrong: it mistakes cause for effect. Subsidies are triggered by weak commodity prices, not vice versa.

The main cause of the low prices, he says, is the power of the agri-food conglomerates. These have a vested interest in paying as little as possible for their raw materials (crops and livestock) and they use their huge influence within state bureaucracies

to stop governments applying effective policies as in the past to regulate supply and demand. As a result, commodity prices continue to drop, often way below production costs, even in the industrialised countries. Thousands of small farmers are put out of business and the governments have to subsidise the big farmers to keep them producing.

Rossett, who lives in Chiapas, Mexico, has an interesting section on the North American Free Trade Area (NAFTA). Because of the cheap US maize pouring into Mexico as a result of NAFTA, Mexican peasant farmers cannot sell their produce. Yet, he says, almost three million mostly poor farmers stubbornly continue to grow maize. How is this possible? Quoting a Mexican study, Rossett says that it happens only because of the remittances sent by migrants in the US, who are in effect subsidising Mexican production. Their action, he says, reflects the peasants' deep cultural resistance to the dislocation and destruction caused by the 'free trade' model.

The section of the book concerning the 'uniqueness' of food, which leads to the book's title, is the least convincing. Food is not just any merchandise or commodity, say Rossett; it "means rural livelihoods, traditions and cultures and it means preserving, or destroying, rural landscapes". Because it is special, he says, food should not be covered by WTO agreements. But is food so different? Isn't it just as damaging for a country to have its industry and its culture destroyed by cheap imported goods? It is the free trade model as a whole that needs to be rethought, not only its application to farming.

\* Peter M. Rossett, *Food is different – why we must get the WTO out of agriculture*, 2006, joint publication:

Canada: Fernwood Publishing; India: Books for Change; Malaysia: SIRD; Southern Africa: David Philip; Rest of the World: Zed Books



*Free trade overload*

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