

NOTE

Right to Food Security

M K writes

A key question has taken center stage in world trade talks: whether developing countries have the right to food security and to protect the livelihood of their farmers, or whether they must allow cheaper imports that may overwhelm local agriculture. Lately this controversy has been raging at the World Trade Organisation. Most developing countries are arguing in the World Trade Organisation that food security and their farmers' livelihoods are more important than the abstract principle of free trade or 'market access'.

But they are being challenged by the United States, which wants to tear down barriers to its farm products, which are heavily subsidised and thus artificially cheap. And the US is backed up by a few developing countries, like Thailand, that want to export more.

It's a big issue because the fate of hundreds of millions of farmers depends on it. Most countries also want to be able to produce their own food on grounds of security and to provide income to the rural poor and save on foreign exchange.

Already there have been protests by farmers in many countries, such as Indonesia, the Philippines, Ghana, Senegal and in the Caribbean region that cheap and often subsidised food is being dumped in their countries, displacing local production.

A big battle is now being waged at the World Trade Organisation over this issue, with emotions running high. If not resolved soon, it may scuttle the world trade talks.

Recently, the vast majority of developing countries were infuriated when their proposal to guard the interests of food security and farmers' livelihoods was opposed (and, in their view, ridiculed) by the United States, backed by a few others.

Most developing countries want to be able to designate 20% of their agricultural imports as 'special products' (SPs), which will be subject to no or very low tariff reduction as part of the conclusion of the current trade talks. These are products that are linked to food security, farmers' livelihoods or rural development.

They also propose a 'special safeguard mechanism' (SSM) to be set up to allow the developing countries to impose higher duty on particular farm imports if there is an increase in volume or fall in price that could threaten local production.

The SP and SSM concepts have already been agreed to. The question is how to operationalise them, for example how many products can be designated as 'special' and how they should be treated in terms of tariff reduction.

Recently, the US counter-proposed that only five tariff lines can be designated as 'special'. This is seen as ridiculous or even a 'joke' by the developing countries, as they typically have a thousand or more tariff lines in agriculture and some key products like rice may be covered by 20 or 50 tariff lines.

For the US, these 'special products' have also to be subjected to tariff cuts, and a quantity of them should be allowed to enter at zero tariff. ~~del del del~~