Food Self-Reliance In Poor Countries:

GATT Should Support It, Too

by Don Reeves and Gretchen Hall

➢ **In prospective trade negotiations food security needs of poor countries should receive special consideration. Developing countries seeking to improve their food self-reliance should not be denied opportunities to use minimum price supports, management of grain stocks, and protection from low-price imports—tools which the United States and the European Community have used for decades.**

The United States and the European Community have paid little attention to the effects of their agricultural trade policies on hunger and development. During the last decade, for instance, European and U.S. policies sent the world sugar market into a tailspin, causing many Filipino and Caribbean sugar workers to lose their jobs. The United States' attempt to capture a larger share of the world rice market by slashing prices reduced family incomes for Thailand's two million rice producers. The EC's subsidized meat exports dried up markets in western and southern Africa for local producers, damaging rural economies.

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International financial institutions also influence the agricultural policies of developing countries by the conditions they place on assistance. Coupled with the sale of U.S. and EC food imports at depressed prices, the conditioning of debt relief and development aid on open market policies has often discouraged basic food production in favor of export crops in developing countries. Nations with precarious economies which depend heavily on agricultural exports or imports are subject to the risk of market price fluctuations.

In a world where hunger remains a deadly reality, international trade arrangements should encourage developing countries to achieve and maintain a degree of food self-reliance, a conscious choice about which foodstuffs to produce domestically and which to import. International trade negotiations under the auspices of the General Agreement on Tariffs and Trade (GATT) are critical in this regard. The GATT talks broke down last December over farm policy disputes, but negotiators now hope that the negotiations can be successfully concluded. In preparing for these meetings, however, the participants should closely examine the relationship between trade and agricultural development, and be prepared to endorse agreements in Geneva that will foster food self-reliance in lower income countries.

International conferences on hunger and development have time and again emphasized the need for national food strategies that push broad-based agricultural development, foster food security, and protect and renew the natural resource base. Yet the current GATT proposals would handicap efforts of developing countries to improve their staple food production capacity.

The major GATT proposals under consideration in the current negotiations take little account of the special circumstances of some developing countries with weak agricultural infrastructure, chronic food deficits and large, poor rural populations. Although "special and differential treatment" for developing countries is briefly mentioned, the only concession is to allow developing countries a slightly longer timeframe to adopt the more liberalized trade measures required of other countries—a token delay that would do little to level a grossly unequal playing field. Basically, the developing countries would be treated the same as the developed countries, which have long histories of government intervention to support agriculture.

Developed countries should not deny to the developing world tools the United States and the European Community have used for decades—minimum price supports, management of grain stocks, and protection from low-priced imports. Developing countries might, however, be warned to avoid the pitfalls of U.S. and European farm programs: overproduction of a limited number of commodities, stimulation of ecologically unsound farming practices, and support for agriculture structured in a manner that favors large farms.

The reopening of the GATT negotiations leaves room to hope that a forthcoming agreement will foster equitable and sustainable agricultural development. It appears that the European Community and the United States might agree to cuts in export subsidies that would help bring a degree of stability to world markets. As a second step, GATT parties should agree to support programs that encourage conservation of resources, that stimulate diversity and environmentally sound cropping systems, and that target support to small and moderate-sized farms. Finally, the concept of "special and differential treatment" should be redefined to permit developing country efforts designed to improve their food self-reliance.

Don Reeves is Director, and Gretchen Hall is Education Director, Bread for the World Institute.