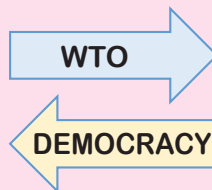


The Launching Pad for Neoliberal Globalization: The World Trade Organization

Since its formation in 1995, the World Trade Organization (WTO), a multilateral international intergovernmental organization, has pushed for cut-throat neoliberal policies of privatization, deregulation and trade liberalization in the trade and investment sphere through trade agreements that are anti-farmer and anti-people to their very core.



Through weakening government support for essential sectors of health, education, agriculture, workers' rights and environmental protection by categorizing social protection measures as 'trade barriers', the WTO is directly responsible for eroding the sovereignty of third world countries and intensifying poverty, hunger and livelihood deprivation. In essence, it can be categorized as one of the finest imperialist tools launched in the current era.



At the same time, industrialized nations have used the WTO to establish a global financial and economic system that benefits transnational corporations; the basic thrust of the WTO rules is based on providing these corporations hegemonic control over production, distribution and

retail in goods and services. Agriculture has been a key target of WTO's focus on trade liberalization.

Although the WTO enforces almost sixty trade agreements, this primer will only look at particular agreements in context to the fast-paced changes that are being envisioned for the dairy and livestock sector in Pakistan. To accomplish this, a brief orientation to the WTO is being provided, along with key issues in the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPs), the Agreement on Agriculture (AoA) and the Agreement on Sanitary and Phytosanitary (SPS) Measures.

So how does the WTO ensure that these policies are implemented?

WTO rules are embedded in legally binding global frameworks backed with strong enforcement capability. These promote and enforce a globalized model of agriculture in all member countries by prying open new markets and forcing countries to forego policies that safeguard farmers' livelihoods and protect peoples' food security.



WTO agreements and clauses are thrust on member states that have no choice but to comply in order to avoid unfair and costly dispute settlement mechanisms. It is this severe attack on farmers' livelihood globally that has resulted in world-wide resistance with the clarion call to 'Junk WTO' and demand Food Sovereignty!

1) Agreement on Sanitary and Phytosanitary (SPS) Measures

The WTO's SPS Agreement uses the pretext of food safety and hygiene standards to enforce regulatory measures on food production and distribution for animal and plant-based products. The rigid implementation of homogenized standards paves the way for a model of industrial food production that benefits corporate producers and pushes small producers out of the market.

WTO members are required to embed the SPS regulatory mechanisms within their national legal framework. The mechanism being used for this purpose is the Codex Alimentarius or 'Food Code', as determined by the Codex Alimentarius Commission that provides standards for food at all stages of production. (For more information on Codex mechanisms, please refer to Primer 3 in this series)

In Pakistan's dairy and livestock sector, the quest for 'safe' milk, other dairy products and meat is leading to a corporate takeover of the sector through pro-corporate food processing policies (e.g. the pasteurization policy).

However, is corporate-controlled, mass-produced food really safe?

Evidence has shown that food-borne infections are easier to prevent, identify and contain in small-scale, localized food systems as opposed to globalized food production chains spanning greater geographical

distances. Indeed, most food-borne illnesses have originated and become widespread as a result of large corporate farms e.g. cattle farms where animals are kept in close proximity to each other in unsanitary conditions and are administered antibiotics and hormones. The Mad Cow disease (Bovine Spongiform Encephalopathy or BSE) is a proof of this.

2) *Agreement on Agriculture (AoA)*

On the surface, the Agreement on Agriculture (AoA) seeks to reform agricultural trade by eliminating barriers that restrict fair trade. However, the industrialized, export-driven food system promoted by WTO is heavily skewed in favor of rich, capitalist countries and designed to consolidate corporate control along the food chain. It threatens lives and livelihoods of rural communities in developing countries by banning all restrictions on imports, even when they serve the purpose of granting local producers a decent livelihood through protecting their produce from imports of artificially low-priced food, much of which is highly subsidized in rich industrial countries such as the USA and Germany.

It is ironic that WTO erodes self-reliance in food and agriculture for third world countries by eliminating direct subsidies for small and landless farmers who ensure the country's food security but at the same time, various loopholes in the AoA such as the Green Box subsidies allow industrialized countries to provide significant domestic and export subsidies to export-oriented agribusinesses.

What significance do AoA rules have for the dairy sector in Pakistan?

These biased and inequitable trade practices result in export dumping of cheap powdered milk by industrialized nations causing milk-processing corporations to reduce their purchase of fresh milk from farmers. This

jeopardizes local food systems by paving the way for an import-dependent food economy and ravages the livelihoods of farmers and livestock keepers.



3) *Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPs)*

Indigenous value systems assert that life forms are not private property. However, the intellectual property rights (IPR) regime enabled by the TRIPs Agreement awards patents for novel innovations in plant and animal varieties (e.g. hybrid and genetically modified organisms) thereby giving exploitative agrochemical/biotechnology corporations a free rein to commodify rich genetic resources of the third world.

This undermines farmers' and indigenous peoples' rights to seed and food sovereignty. Farmers lose ownership and control of local genetic resources and become dependent on high-cost inputs from monopolistic corporations; additionally, royalty payments to IPR holders pushes farmers into a vicious cycle of high production costs, indebtedness and loss of livelihood and productive resources. In addition, the food security of entire humanity is now in the hands of the profit-driven corporate sector.

So what does the TRIPs Agreement entail for small and landless farmers in Pakistan?

Pakistan is one of the top milk and meat producers in the world. Despite this, policymakers regularly lament the low productivity of the country's indigenous livestock breeds. Recent government policies encourage private investments in the livestock and livestock genetics sector. As a result, semen of high-yielding foreign livestock breeds is being imported into the country and being used for cross-breeding, making farmers dependent on one-time, high-cost inputs. It goes without saying that IPR laws are applicable on specialty livestock. The promotion of non-indigenous livestock breeds also threatens livestock biodiversity and challenges farmers' traditional role of conserving local livestock breeds. Moreover, foreign breeds need specialized infrastructure (e.g. ventilated/temperature-controlled sheds) and specialized feed, an expense that small farmers cannot sustain.

The world has already witnessed immense biodiversity extinction at the hands of toxic chemical-intensive agriculture. The loss of indigenous seed varieties is irreversible. It is clear that such a phenomenon is on the cards yet again, this time with regards to livestock genetic resources.

As the above agreements show, stronger enforcement mechanisms by WTO signals to a shift of power from people and governments to a global authority that is dominated by representatives of capitalist first-world countries, particularly G7 countries, acting on behalf of their powerful agribusiness corporations. Hence, the word imperialism does seem to fit in the context of the WTO.

Under the WTO, the global economic system is comprised of inequitable market access rules that prioritize corporate profits and undermine the rights and interests of women, workers, peasants, indigenous peoples and small producers. We must envision, demand and create a system where trade and investment agreements uphold the rights of small and landless farmers, including women farmers, and do not infringe on the national interests of governments in pursuing policies for social, economic and environmental justice.

For more information and further analysis on the ways in which global dairy corporations are snatching away the livelihoods of small and landless farmers, please refer to the other primers in this series.



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