

# **GLOBAL NETWORK FOR JUSTICE**

**A Project of New Orleans Bread for the  
World at the Twomey Center For Peace  
Through Justice  
December 2004  
Volume 4 Number 4**

**(Continuation from November'04 Vol. 4 No. 3 Issue)**

**IRAQ'S NEW PATENT LAW: A declaration of war  
against farmers.**

**by: Shalmali Guttal**

**FOCUS on Global South and GRAIN**

## **RECONSTRUCTION FACADE**

Iraq is one more arena in a global drive for the adoption of seed patent laws protecting the monopoly rights of multinational corporations at the expense of the local farmers. Over the past decade, many countries of the South have been compelled to adopt seed patent laws through bilateral treaties. The US has pushed for UPOV-styled plant protection laws beyond the IPR standards of the WTO in bilateral trade through agreements for example with Sri Lanka and Cambodia. Likewise, post-conflict countries have been especially targeted. For instance, as part of its reconstruction package, the US has recently signed a Trade and Investment Framework Agreement with Afghanistan, which would also include IPR-related issues.

Iraq is a special case in that the adoption of the patent law was not part of negotiations between sovereign countries. Nor did a sovereign law-making body enact it as reflecting the will of the Iraqi people. In Iraq, the

patent law is just one more component in the comprehensive and radical transformation of the occupied country's economy along neo-liberal lines by the occupying powers. This transformation would entail not just the adoption of favored laws but also the establishment of institutions that are most conducive to a free market regime.

Order 81 is just one of 100 Orders left behind by Bremer and among the more notable of these laws is the controversial Order 39 which effectively lays down the over-all legal framework for Iraq's economy by giving foreign investors rights equal to Iraqis in exploiting Iraq's domestic market. Taken together, all these laws, which cover virtually all aspects of the economy including Iraq's trade regime, the mandate of the Central Bank, regulations on trade union activities, etc. - lay the bases for the US' bigger objective of building a neo-liberal regime in Iraq.

Order 81 explicitly states that its provisions are consistent with Iraq's "transition from a non-transparent centrally planned economy to a free market economy characterized by sustainable economic growth through the establishment of a dynamic private sector, and the need to enact institutional and legal reforms to give it effect."

Pushing for these "reforms" in Iraq has been the US Agency for International Development, which has been implementing an Agricultural Reconstruction and Development Program for Iraq (ARDI) since October 2003. To carry it out, a one-year US\$5 million contract was granted to the US consulting firm Development Alternatives, Inc. with the Texas A&M University as an implementing partner. Part of the work has been sub-contracted to Sagric International of Australia. The goal of ARDI in the name of rebuilding the farming sector is to develop the agribusiness opportunities and thus provide markets for agricultural products and services from overseas.

Reconstruction work, thus, is not necessarily about

rebuilding domestic economies and capacities, but about helping corporations approved by the occupying forces to capitalize on market opportunities in Iraq. The legal framework laid down by Bremer ensures that although US troops may leave Iraq in the conceivable future, US domination of Iraq's economy is here to stay.

### **FOOD SOVEREIGNTY**

Food sovereignty is the right of people to define their own food and agriculture policies, to protect and regulate domestic agricultural production and trade, to decide the way food should be produced, what should be grown locally and what should be imported. The demand for food sovereignty and the opposition to the patenting of seeds has been central to the small farmers' struggle all over the world over the past decade. By fundamentally altering the IPR regime, the US has ensured that Iraq's agricultural system will remain under "occupation" in Iraq. Iraq has the potential to feed itself. But instead of developing this capacity, the US has shaped the future of Iraq's food and farming to serve the interests of US corporations. The new IPR regime pays scant respect to Iraqi farmers' contributions to the development of important crops like wheat, barley, date and pulses. Samples of such farmers' varieties were starting to be saved in the 1970s in the country's national gene bank in Abu Ghraib outside Baghdad. It is feared that all these have been lost in the long years of conflict. However, the Syria-based Consultative Group on International Agricultural Research (CGIAR) centre – International Centre for Agricultural Research in Dry Areas (ICARDA) still holds accessions of several Iraqi varieties.

These collections that are evidence of the Iraqi farmers' knowledge are supposed to be held in trust by the centre. These comprise the agricultural heritage of Iraq belonging to the Iraqi farmers that ought now to be repatriated. There have been situations where germplasm held by an international agricultural research centre has been "leaked out" for research and development to

Northern scientists. Such kind of "biopiracy" is fuelled by an IPR regime that ignores the prior art of the farmer and grants rights to a breeder who claims to have created something new from the material and knowledge of the very farmer.

While political sovereignty remains an illusion, food sovereignty for the Iraqi people has already been made near impossible by these new regulations. Iraq's freedom and sovereignty will remain questionable for as long as Iraqis do not have control over what they sow, grow, reap and eat.

\* Focus on the Global South is a Bangkok-based policy research and advocacy center working to expose and oppose the links between corporate-led globalization and war. GRAIN is an international non-governmental organization (NGO) which promotes the sustainable management and use of agricultural biodiversity based on people's control over genetic resources and local knowledge. **For more information go to [www.focusweb.org](http://www.focusweb.org) .**

**(Continuation from November'04 Vol.4 No. 3 Issue)**

### **HUNGER ON THE RISE IN THE PHILIPPINES**

By: Jenina Joy Chavez, Mary Ann Manahan and Joseph Puruganan.

But how many poor families actually have two members employed formally?

In short, people have become much poorer and less able to access food because of meager income. If the self-rated poverty reported in the SWS stabilized at 53% (which is low compared to previous results that hit as high as 60%), the SWS was quick to note that this was because of belt tightening or the lowering of people's economic standards. All the more reason that the problem should be attended to immediately – people are bracing themselves for an even lower quality of life.

### **LIBERALIZATION: CURSE RATHER THAN CURE**

Liberalization has become the backbone not just of

Philippine food and agriculture policies but of development policy as a whole. Since 1981, the Philippines has been pursuing a comprehensive and radical program of trade liberalization. Through the Tariff Reform Programs I – IV, the Philippines has unilaterally reduced nominal tariff rates from 23.5 percent in 1993 to 7.71 percent in 2001. Under the common effective preferential tariff scheme, tariff rates were reduced to zero on about 60% of all Philippine products in the inclusion list for the ASEAN Free Trade Area. Similarly, the government committed to bind all our agriculture products to the agreement on agriculture under the World Trade Organization (WTO) and to further reduce agricultural tariffs in continuing trade negotiations.

What has this policy achieved so far? While they will always present results in a positive way, even research by mainstream economists cannot deny the negative impacts of liberalization. One such research (6) pronounces that “the reduction in tariff rates between 1994 and 2000 is generally poverty-reducing” but such decline varies across regions, where regions with the lowest initial poverty enjoy the bigger poverty reduction compared to those already much poorer to begin with. Further “(a) agriculture contracts, while agriculture factor prices decline. Overall income inequality worsens as a result.”

Straight out of the horse’s mouth – trade liberalization has been hurting agriculture and the already poor population. Statistics bears this out. Agricultural employment declined from 11.29 million jobs in 1994 to 11.22 in 2003 despite our government’s insistence that joining the WTO would create half a million jobs annually. Real wages continue to fall, the highest fall (including even non-agricultural wages) being experienced in Muslim Mindanao.

### **PRECARIOUS FOOD ACCESS**

While the hunger may be borne out of income declines, unless government seriously reorients its food policy there could be a real supply crunch in the future

leading to increased prices.

The liberal attitude towards food policy produced a new definition of food security that emphasizes availability and affordability rather than prioritizing agricultural production. Importation has become a strategy equal to production and no longer just a policy tool to address production shortfalls. As a result, the Philippines has not graduated from being a net food importer. The national food import bill has been increasing over the last ten years, from \$714 million in 1993 to \$2.38 billion in 2003.

Yet even the supposed advantage of a liberalized trade regime on consumer prices remains elusive for Filipinos. Food inflation continues to outstrip overall inflation.

Thirty-nine percent of the country’s labor force depends on agriculture (only 2/3 of whom are employed), and they have to compete for the shrinking share (to GDP) of the sector from 22% in 1993 to less than 15% in 2003. Moreover, they have to contend with the continued encroachment of industry and speculative ventures into productive land, the continued lack of incentive and support to agricultural production, and steep competition from imports.

The low priority given to food production is worrying, given that even with trade, global food production has been unable to catch up with demand. According to the Food and Agriculture Organization, food harvest is expected to fall short of meeting consumption for the fifth consecutive year in 2004. This reality should be considered seriously by government, to at least temper the rabid optimism that trade liberalization alone will solve our food security concerns. Nor will intensified agriculture and use of GMOs (Genetic Modified Organisms) do the trick without first addressing food safety, biodiversity and production viability.

The SWS survey highlights the special case of Mindanao. The Mindanao situation has been punctuated by ironies throughout history, not least of which is hunger in a

region blessed with vast food and agricultural resources. Certainly you would expect more from a region that runs an annual trade surplus (in bananas and crude coconut oil) of around \$600 million in recent years. Nor is hunger new to Mindanao. A few years ago, it was devastated by severe drought that government refused to acknowledge immediately, until the hugely successful Tabang Mindanaw (Help Mindanao) Campaign pressed the issue in its face.

Mindanao is the poorest island. Four of the five poorest regions and six of the poorest provinces in the Philippines are in Mindanao, including all four provinces in the Autonomous Region in Muslim Mindanao where more than half of households live in poverty. The problem can be rooted to the long-term marginalization of Mindanao in national development policy. The bias against agriculture has been felt most harshly in Mindanao because it is farthest from Manila. Access to land is worst in the region. The lack of peace and order, and insurgency problems contribute to the vicious circle of poverty and violence in the region. Unfortunately the government's uncritical support to the war on terror aggravates rather than abates the Mindanao quagmire.

Gloomy as it may seem, Mindanao illustrates the worst of the Philippine government's blind adherence to liberalization and non-independent security policies. And try as the government might to deflect the focus from Mindanao, it will keep coming back to it. After all, a country is only as good as its worst region.

- The authors are from Focus on the Global South – Philippines and members of the Stop the New Round!, a coalition campaigning against a new round of trade liberalization under the WTO.

#### **NEWS:**

**Groups in Mindanao are mobilizing against neoliberal policies ( Davao City, Nov. 18-19, 2004)**

A two-day civil society meeting concludes on the importance of trade policies in solving the issue of hunger

and poverty in Mindanao. According to a recent Social Watch Statistics Survey, 23% of households in Mindanao are suffering from hunger . But why does hunger persist in a resource-rich region like Mindanao? And how should this problem be resolved?

Participants in the Consultation on Food, Agriculture and Trade Policies held last November 17-18 debated and confronted these issues. Participants noted that hunger was not a result of poor natural resources because Mindanao is a very rich area in terms of natural resources. The root causes of poverty lie on access to and ownership of resources (land and water) and on access to economic factors. The groups highlighted the importance of food and agricultural trade policies to solve this crisis.

Commitments under the World Trade Organization and bilateral and regional trade agreements are seriously affecting various food producing sectors in Mindanao.

**For more information go to [www..focusweb.org](http://www.focusweb.org)**

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