

# GLOBAL NETWORK FOR JUSTICE

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## What is the Global Week of Action?

It is a week from April 10-16, 2005, where as many campaigns as possible across the world active on trade and neo-liberalism come together in united action. The idea is for all of the organizations, networks and movements to take action in their own national and regional campaigns. The aim is to challenge the free trade myth and put forward alternatives by delivering the biggest global mobilization we have seen.

### What are the aims of the week?

- **Challenge the free trade myth.**
- **Challenge and influence the agenda of the G8, IMF, WTO, World Bank and governments of North and South.**
- **Propose alternatives.**
- **Show the scale of the global movement.**
- **Build the movement through coordinated campaigning.**

For more information visit <http://www.april2005.org>

## STORIES FROM THE SOUTH

### Zambian cotton farmers – Solomon's story

Cotton is a major cash crop in Zambia, giving farmers the means to pay for schooling, clothing, oil and salt, and – in the case of Solomon and Joyce Mbewe – corrugated iron to roof the small hut that shelters their family of five.

At least that was their hope. The price they got for their cotton in 2004 was so low they only made enough to repay the cost of seeds and fertilizer.

"I failed in my vision of getting a better roof," said Solomon who volunteers as a community health worker with a local Catholic Agency for Overseas Development (CAFOD) partner – as well as farming. Zambia's cotton farmers have been faced with unprofitably low prices for their crops since early 1990s when the World Bank (WB) and International Monetary Fund

(IMF) forced government to reduce its support to farmers and open its markets to imports. At the same time highly subsidized growers in USA were producing more and more cotton – capturing 41% of the world market by 2001/02 – forcing down the world price.

It is estimated that poverty among small-scale farmers in Zambia rose from 81% in 1991 to 90% in 1999.

### Jamaican dairy farmers

Vincent Hynes is one of the casualties of Jamaica's once thriving dairy industry. In 1992 the Jamaican government opened up the dairy market to imports in response to pressure from the World Bank. Dairy processors, including the multinational, Nestle, abandoned local farmers to buy cheap milk powder from Europe, produced and exported with the aid of massive European Union (EU) subsidies.

One year after liberalization, millions of dollars of unpasteurized local milk had to be dumped, 700 cows were slaughtered prematurely and dairy farmers began closing down. By 2001, 60% of dairy farmers – including Vincent Hynes – had gone out of business. Now at 60, he says: "Milk was my income and there is nothing on the land now. I have to be living off what I had saved and it is going out now. I am thinking how I will manage after this."

### Haitian rice farmers

Haiti's rice farming that supported over 65% of the population, collapsed almost overnight in 1995 when it was forced to slash tariffs on imported rice as a condition of loans from the WB and IMF. Without this protection of a vital industry, imports of cheaper subsidized rice from the USA, flooded in, destroying thousands of livelihoods.

Farmers like Mauricin Claircin ended up selling their plots of land and trying, unsuccessfully to immigrate to the USA, making the perilous crossing by boat. "I had to do this because I could no longer support my family by growing rice", he said. "There's no incentive to grow rice anymore. It's virtually impossible to make a profit." (case study from Christian Aid)

### Bishops oppose unfair trade rules

**Story by Lucas Barasa –published in The Nation- Kenya** Churches and the civil society in eight African countries launched a protest against World Trade Organization (WTO) rules in April 12, 2005.

They said the rules were unfair to Africa and claimed that they had added to high levels of poverty on the continent.

Catholic and Anglican bishops from Eastern and Southern Africa representing close to 50 million people complained that poverty was on the increase in Africa while the developed world wallowed in wealth – some of it from Africa.

"While more than two-thirds of our people live on less than \$1 (Sh76) a day, cows in Europe and Japan receive \$2 (Sh152) and \$7 (Sh532) respectively in subsidies daily. The WTO regime has contributed to the concentration of wealth in the hands of a rich few, increasing poverty for the majority of the world's population, and unsustainable patterns of production and consumption," they said.

A statement detailing the accusations against WTO was read in Nairobi by Catholic Archbishop George Mpundu of Zambia, Bishop Joseph Zuza of Malawi and Kenya's Anglican Bishop Gideon Ileri..

They represented members from Kenya, Uganda, Tanzania, Malawi, Zambia and Sudan at a Press conference on international trade and poverty to mark the Global Week of Action. They attended a three-day conference in Karen, Nairobi, which coincided with the Global Week of Action being marked worldwide ahead of continued WTO negotiations in Geneva. The group accused WTO of lumping the rich and the poor together and treating them as equals, undermining Africa's food security and sovereignty, and blocking the continent's markets for its exports. They also appealed to the developed countries to waive debts owed by the poor countries to enable them to jump-start their economies. The statement was endorsed by Christian Aid, Bridge Africa, Cordaid, EcoNews, Heinrich Boell Foundation, Jesuits Hakimani Centre, Kenya Debt Relief Network, Kenya Human Rights Commission, Oxfam GB Kenya and Seatini Kenya.

To illustrate the trade imbalance, the clerics cited the example of Robusta coffee world prices, which have declined considerably since 1980, while those of manufactured goods imported by poor countries have risen sharply. There was concern that Africa's exports had dropped from 6.3 per cent in 1980 to 2.5 percent in the year 2000, although WTO was supposed to enhance "the global wealth and prosperity of all people in member states."

The former NGO council chairman, Mr Oduor Ong'wen, represented the civil society. Mr Ong'wen announced that farmers will march to the European Union offices in Nairobi to present a memorandum on trade.

The group opposed the Doha Agenda on market access for non-agricultural goods, saying it would result in "further de-industrialization". "Tariffs on industrial products constituted a significant part of Africa's revenue and further cuts would undermine governments' ability to attain the Millennium Development Goals", they said.

#### **UK government – part of the problem**

The UK government is one of the foremost proponents of the "free trade" model, and continues to press for greater access to the markets of developing countries for UK exporters. Liberalization is forced on poor countries in different ways:

- ◆ They have often been required to open their markets to foreign exporters as a condition of receiving aid, loans or debt relief from donors such as the UK government and from international financial institutions such as World Bank (WB) and International Monetary Fund (IMF).
- ◆ They come under pressure to liberalize their markets in bilateral or regional negotiations with more powerful trading partners, such as the Economic Partnership Agreements (EPAs) currently being negotiated between the EU and African, Caribbean and Pacific countries, and backed by UK government.
- ◆ They come under pressure to accede to rich country's demands in negotiations at the World Trade Organization (WTO), where representatives of poor countries face threats that they will lose aid, trading preferences or even their own jobs if they do not drop their resistance to the liberalization demands being made of them.

For more stories visit [www.cafod.org.uk](http://www.cafod.org.uk)

#### **New Orleans Bread for the World**

**Loyola University New Orleans**

**Campus Box 907**

**New Orleans, LA 70118**

**U S A**

**Phone: 504. 861 - 5834**

**Fax: 504. 866 - 8451**

**Email: [gcnfj@loyno.edu](mailto:gcnfj@loyno.edu)**

**Website: [www.globalnetwork4justice.org](http://www.globalnetwork4justice.org)**

**New: Progress Report in the Tsunami Recovery**

**Global Week of Action**

