

## **Is the White Cotton Soiled? The Holiness Code and the WTO**

**“Thou shall not defraud thy neighbor, nor rob him; the employee’s wages shall not abide with you overnight until the morning” (Lev 19:13)**

I want to focus on the last phrase in this part of the Holiness Code. The term “employee” signifies a master and laborer relationship, denoting a power differential. This precept is a warning against the abuse of power, specifically economic power.

I do international lobbying and advocacy around issues of genetically engineered organisms, specifically concerning trade, protection of the environment and human health, democratic values and processes, patenting, and international equity. I have been a registered delegate at 4 of the last 5 major meetings, called “Ministerials”—Geneva, Seattle, not Doha in 2001, Cancun and last December in Hong Kong. The WTO is very powerful and yet is an organization most people know nothing about.

The theory of the WTO is that a country gives up the sovereign right of controlling what enters its borders regarding trade in order to participate in the resultant general economic prosperity. Each agrees not to enact restraints on trade or to distort trade by protectionism—the favoring of local producers over foreign ones.

According to a recent NYT editorial (15 May);

. . . Back in 1947, when 23 nations agreed to start an international organization to promote trade and arbitrate disputes, the needs of poor countries mattered little. Industrialized nations were rebuilding after World War II, and they remained the economic masters of Asia, Africa and Latin America.

Over the next 50 years, that club, now known as the World Trade Organization, aggressively dismantled barriers against trade in industrial goods and services — the areas in which its members hold a comparative advantage. That same club dragged its feet on dismantling barriers against trade in agriculture and textiles, where poor countries have an advantage.

Less developed and former-communist countries have been eager to join. After all, their small leadership strata and governmental bureaucracies have been educated at US and EU universities, have been subjected to sophisticated programs of persuasion, and have absorbed their dominant ideologies along with the perks. Or they were naïve; as a statement from the nation of Benin put it in 2004 “many people in sub-Saharan Africa believe that the rules of the multilateral trading system were written by major countries for the benefit of major countries. However, we believe that the WTO system can and will recognize the impairment of rights suffered by least-developed countries.”

In response to the concerns of its enlarged membership, the WTO announced a significant change at the Ministerial meeting in Doha in 2001, agreeing to emphasize *development* as a trade goal. Accordingly, America, Europe and Japan said they would slash their agricultural subsidies so that the ag products of poor nations could fuel such development. But these rich countries haven't done so.

This WTO approach denies that development may also depend on other additional factors such as protecting environmental resiliency, increasing educational attainments, altering the social and cultural role of women, etc. It only focuses on the economics of trade.

As my colleague, Vandana Shiva put it at an environmental negotiation when the US and other governments objected to considering “socio-economic” impacts of genetic technologies (eg, effects on traditional societies' livelihoods), privileged attention in international affairs is given only to “trade, the socio-economic impact of interest to the wealthy”.

But the Holiness Code is not just interested in economics in and of itself. The Holiness code is about the responsible use of economic power.

Deuteronomy expands upon this concept, saying “On his day give his wage, and let not the sun set on it; for he is poor, and he sets his soul

on it” [24:15]. One of the Talmud’s explanations of “setting his soul on it” is that withholding legitimate earnings is like *taking the laborer’s soul*—ie, enslaving the laborer.

Most of us who protested the WTO in the streets of Seattle at the 1999 Ministerial are, in general, not against “globalization” in the literal sense. Neither are we anti-technology Luddites, pining for some mythic simpler time. We fly to the far corners of the globe to lobby, educate, strategize, negotiate. We are in daily contact by email. We use the internet for research. We eat foreign foods, may drive foreign cars, and certainly drink wine and beer from far-off places! What we are against is the increasing dominance of corporations-- “artificial persons” which once were accountable to the populace through strict charters and regulatory oversight, but now have been given enormous powers to maximize their short-term profitability (the hallmark of modern capitalism) to the exclusion of all other values.

In Cancun (in 2003), activists had put up posters noting that in the US the average cow receives something like \$2500 per year while the average person in Africa earns maybe only 1/20<sup>th</sup> of that; there were corresponding posters for EU cows.

After December’s WTO Ministerial in HK, the International Herald Tribune noted “ . . . until now, the wealthiest nations called the shots, while poorer ones largely fell in line. Not anymore. Less developed nations are deciding that the problem is not so much globalization as the ability of global elites to make the rules.” And those rules do not reflect the Holiness Code.

US ag subsidies can be grouped into four categories, all trade distorting and all supported by Republican and Democratic administrations alike (both chanting the mantra of the so-called “free” market):

\***domestic subsidies** (more than 80% of the total)—eg, paying to plant or not to plant;

\***export subsidies**—eg, credits against shipping costs, taxes, etc;

\***price supports**—eg, guaranteeing that the government will buy up the product at a certain price if the market slips below it; and

\***artificial markets** --such as the US food aid program which consist of buying domestic grains and shipping them abroad, and is far more expensive and inefficient in regard to the nutrition delivered than what EU and Japan do--giving money so recipient countries can buy food; as a Zimbabwean farmer put it to me several years ago, “What is being presented as an act of charity is in fact nothing more than an act of marketing.”

The result of all of these subsidies is that US corn is cheaper in Mexico than Mexican corn, US rice is cheaper in Thailand than Thai rice, and US wheat is cheaper in India than Indian wheat. Over 40,000 Indian farmers have committed suicide since 1997 in despair at their inability to earn enough income to repay their debts for high-tech inputs (GE seeds, pesticides, etc), no less a capacity to feed their families. The laborers are not getting paid at all. The laborers are losing their souls.

But Third World farming is being transformed into large-scale agriculture controlled by trans-national corporations instead of village councils and indigenous mores. Practices that for millennia were open and communal have been morphed by WTO policies into ones that are privatized and individualistic, dominated by patent monopolies over agricultural know-how.

That is why movements of peasants have become so powerful in national and international ag politics --the Zapatistas in Mexico, the MST in Brazil, Jose Bove as symbol in EU, the Korean farmers who shut down the streets of HK at December's WTO Ministerial.

And US cotton is cheaper in Burkina Faso than the locally grown cotton. Burkina Faso ( formerly Upper Volta) is one of the world's poorest countries. Along with three other African lands—Mali, Benin,

and Chad – existing *en extremis*, it has been attempting to challenge this situation.

Burkina Faso has a GDP of \$15.74 billion, putting it 116<sup>th</sup> in the world. It's GDP/capita is about \$300, or roughly a dollar a day. In terms of local purchasing power, this might be equivalent to \$1200 (or \$3/day). The vast majority of its population are farmers and herders.

The US population contains about 3 million farmers (only 1% of our total). Farm subsidies are currently running at \$23 billion per year, or an average of an \$8,000 government grant to each farm resident. Thus, the *subsidies* to a US farmer are 27 times what a person in Burkina Faso *earns* all told.

These four nations are a role call of wretchedness. In Benin, 62% of the people live in houses with dirt floors.

They sought, at the Cancun Ministerial (2003), to get a ruling that would terminate US cotton subsidies so that the Africans could sell their cotton—virtually their only resource. When the meeting collapsed, and they were too weak to mount further challenges, Brazil became their champion and won a ruling that the subsidies on cotton should terminate, with other ag distortions, at the end of 2005 and that the US should pay damages estimated at \$4 billion. However, the US Trade Representative can agree to reducing subsidies knowing that Congress is unlikely to change these domestic programs—which bring legislators political support in exchange for ag supports. Now, another deadline, April 30<sup>th</sup>, has come and gone. I have not seen any sign that the indemnity has been paid. So the US runs an international shell game, a scam on the poor. As an Oxfam report recently noted, "The chances of a trade deal being done this year that helps developing countries are looking increasingly slim. Aggressive demands by rich countries mean that, far from being able to pursue reforms that will lift people out of poverty, poor countries are having to engage in damage limitation."

At Hong Kong last winter, instead of acting on *domestic subsidies*, an agreement was made to eliminate *export subsidies* (only 1 % of the total subsidies given out by the 30 richest countries)--by the year 2013. Let the laborers go seven more years and then we will pay them a tiny portion of their earnings.

As an Indian commentator put it this week [May 17],

The focus of negotiations in WTO has now shifted to gaining more market access in the Third World. Attempts are being made by the developed bloc to render ineffective whatever available mechanisms are there for developing countries to protect their farm sector.

The issues of drastic cuts in high farm subsidies and tariff barriers of the rich countries have receded to the background. The US has taken the lead in launching a frontal attack on the developing countries attempt to protect their farm sector [“Rich play, divide & rule in WTO” Farm Front column, ASHOK B SHARMA]

Often the US government and our media attempt to put the blame for negotiating failures on the EU—which has equally duplicitous policies. However, we are responsible for our own government’s ethical standards. As Abraham Joshua Heschel famously put it (in regard to opposing the Vietnam war) “All are responsible although only some are guilty.”

When we wonder “why are *they* angry at us” we need to understand reasons that are rarely discussed in the US media (although known by peasants the world-over). It’s not so much that they are jealous of our prosperity as that they are outraged at our abuses of power. Farmers are laboring around the world, in cotton fields, rice paddies, and stands of wheat; they and their families often go to bed hungry. Sometimes, it’s not just over the night that they go without their just due; sometimes it seems we will never get around to paying them at all.