

To: Trade Ministers and Agriculture Ministers
CC: Pascal Lamy, Director-General, WTO
Robert Zoellick, President, World Bank
Dominique Strauss-Kahn, Managing Director, International Monetary Fund
Angel Gurría, Secretary General, Organization of Economic Cooperation and Development (OECD)

Subject: The WTO's Doha Round Will Not Solve the Global Food Crisis – Time for Real Solutions

Dear Minister,

The global food system is in crisis. Millions of people can no longer afford or access the food they need, increasing global hunger and malnutrition. The world's governments need to act now. But the answer does not lie in deeper deregulation of food production and trade. We, concerned non-governmental organizations and social movements, urge you to reject the claims by the leaders of the World Trade Organization (WTO), World Bank, the International Monetary Fund (IMF) and the Organization of Economic Cooperation and Development (OECD), that concluding the Doha Round is a solution to the current crisis.ⁱ

We believe the Doha Round as is currently envisioned will *intensify* the crisis by making food prices more volatile, increasing developing countries' dependence on imports, and strengthening the power of multinational agribusiness in food and agricultural markets. Developing countries are likely to lose further policy space in their agriculture sector, which would in turn limit their ability to deal with the current crisis and to strengthen the livelihoods of small producers.

The inability to manage the current food crisis is an illustration of the failure of three decades of market deregulation in agriculture. We need a new model for the trading system that puts development, employment and food security objectives at the centre. We are calling for real solutions that will stabilize food production and distribution to meet the global demand for healthy, adequate, and affordable food. Governments must start to take a long-term view of the challenges facing agriculture. The recent report of the International Assessment of Agricultural Knowledge, Science and Technology for Development [IAASTD], endorsed by 60 countries, says, "Modern agriculture has brought significant increases in food production. But the benefits have been spread unevenly and have come at an increasingly intolerable price, paid by small-scale farmers, workers, rural communities and the environment". Support has to be directed at a different model of agriculture that can sustainably meet the needs of a growing population.

The WTO's Doha Round and other bilateral and regional trade agreements currently under negotiation will not solve the food crisis, for the following reasons:

1. Existing WTO and bilateral and regional trade agreements push across the board liberalization, which worsens volatility of food prices. This leads to increased dependence on international markets and decreased investment in local food production. Trade liberalization has

eroded the ability of a number of developing countries to feed themselves, for example, Mexico, Bangladesh, Indonesia and Mali. The removal of tariff barriers has resulted in dumping of heavily subsidized commodities in developing countries, such as Ghana, Kenya, the Philippines, Jamaica and Honduras, while undermining local food production.

Developing countries have turned from net exporters of food to net importers of food.ⁱⁱ Two-thirds of developing countries are net food importers and are extremely vulnerable to volatile world food prices. The current proposals under the Doha Round will increase countries' dependence on food imports while further eroding their ability to feed their own populations.

2. High food prices provide enormous benefits to transnational agribusinesses and commodity cartels that control the trade in food and agriculture. One of the largest global grain traders, Cargill, announced in April 2008 that its third quarter profits rose 86 percent to US\$1.03 billion, in the midst of the global food crisis.ⁱⁱⁱ Bunge saw its profits in the last quarter of 2007 increase by 77 percent compared with the same period in 2006. Archer Daniel Midland's (ADM's) profits in 2007 rose by 65 percent.^{iv} The Doha Round will strengthen the position of transnational companies in agricultural markets, who thrive on market deregulation.

3. The Doha negotiations do not tackle the major challenges facing the global food system, which include climate change, natural resource depletion, the quadrupling of oil prices, the lack of competition in world commodity markets, financial speculation and the rapid expansion of unsustainable agrofuels production.

We believe what is needed to solve the food crisis is the following:

1. Governments and communities need to have a range of tools at their disposal to build resilient food and agricultural systems that are ready for the challenges that lie ahead. This includes a greater emphasis on policies that increase food sovereignty, encourage local investment in local markets, support sustainable small-scale farming, safeguard local production from dumping, implement genuine agrarian reform, and allow trade instruments such as quotas and tariffs. Some of these instruments are being proposed by a group of 46 developing countries—known as the G33—in the WTO's negotiations on Special Products and Special Safeguard Mechanism.

2. The volatility of agricultural prices must be addressed through national policies and global actions to avert food crises and to ensure small producers a reliable and steady income. Well-managed public stocks need to be re-established. Such stocks provide an important buffer against price volatility and food insecurity. Speculation and extremely high prices forced upon consumers by traders and retailers must be controlled. At the WTO, the African group has a long-standing proposal on the need to allow commodity-producing countries to make agreements among themselves in order to stabilize prices. This proposal deserves further attention.

3. Governments should establish safety nets and public distribution systems to prevent widespread hunger. Governments have to provide financial support for the poorest consumers to allow them to eat. Governments must use the maximum of available resources within the State and from the international community.

4. A reform of the food aid system to respond more rapidly and to allow greater flexibility in the delivery of food aid. Instead of dumping surplus agricultural production as “in kind” food aid, donors should provide cash to governments and aid agencies to buy local food.

5. Developing countries should not commit to financial services liberalization in the context of the General Agreement on Trade in Services (GATS) or bilateral and regional trade negotiations, as this can adversely impact farmers access to financial services such as insurance and credit.

We look forward to discussing these issues further with you, and to seeing real solutions to the global food crisis.

Sincerely,

International and Regional Networks

1.	Action Aid International	
2.	Asian Peasant Coalition (APC)	Bangladesh, India, Indonesia, Nepal, Malaysia, Mongolia, Pakistan, Philippines and Sri Lanka
3.	ATTAC	Argentina, Austria, Chile, France, Germany, Japan, Morocco, Norway, Spain, Poland, Flanders (Belgium) , Hungary, Italy
4.	Caribbean Association for Feminist Research and Action	Jamaica, St. Lucia, Trinidad and Tobago
5.	East and Southern Africa Small Scale Farmers Forum (ESAFF)	
6.	Friends of the Earth International	
7.	International Metalworkers Federation	East and Southern Africa, South and Southeast Asia, Latin America and Caribbean
8.	Public Services International	Europe, Asia-Pacific, Inter-Americas, Africa & Arab countries
9.	Southern and Eastern African Trade Information and Negotiations Institute (SEATINI)	Kenya, Zimbabwe, Uganda
10.	Africa Europe Faith & Justice Network (AEFJN)	Africa and Europe

11.	Consejo de Investigaciones para el Desarrollo de Centroamérica (Council of Research for Development of Central America - CIDECA)	Central America
12.	Coordinadora Latinoamericana de Organizaciones del Campo (Latin American Coordination of Rural Organizations – CLOC)	Latin America
13.	Friends of the Earth	Europe
14.	Fundación América Latina	Latin America
15.	Global Network Latin America	Argentina, Bolivia, Brazil, Chile, Colombia, Dominican Republic, Ecuador, Mexico, and Peru
16.	Grupo de Agricultura y Comercio de la Alianza Social Continental (Working Group on Trade and Agriculture of the Hemispheric Social Alliance)	Latin America
17.	IGTN	
18.	International Federation of Organic Agriculture Movements (IFOAM)	
19.	International Union of Food Workers	International
20.	La Via Campesina	International
21.	Mesa de Coordinación Latinoamericana de Comercio Justo	Latin America
22.	Oxfam International	International

National and Sub regional networks

23.	Accion Ecologica	Ecuador
24.	ACSUR Las Segovias	Spain
25.	Advocates for Safe Parenthood	St. Lucia
26.	Africa Action	USA
27.	Africa Trade network (ATN)	Africa
28.	African Forum on Alternatives	Senegal
29.	Agricultural Missions, Inc.	USA
30.	Aitec	France
31.	Anti Debt Coalition (KUA)	Indonesia
32.	Nationale des Consommateurs et de l'Environnement du Togo	Togo
33.	Asia Pacific Forum on Women Law and Development (APWLD)	Thailand
34.	Artisanal Fishers Association	South Africa

35.	Australia Fair Trade and Investment Network (AFTINET)	Australia
36.	Bhartiya Krishak Samaj	India
37.	Bios Iguana A.C. de Colima	Mexico
38.	Campaign for the Reform of the World Bank (CRBM)	Italy
39.	Canadian Council for International Co-Operation	Canada
40.	Canadian National Farmers Union	Canada
41.	Center for Encounter and Active Non-Violence	Austria
42.	Centre for Civil Society Economic Justice Project (University of KwaZulu-Natal)	South Africa
43.	Center for Women's Studies, Catholic University of Our Lady of the Ascension	Paraguay
44.	Central Unica dos Trabalhadores (national labor federation – CUT)	Brazil
45.	Centre du Commerce international pour le Developpement (CECIDE)	Guinee
46.	Centre for Education and Communication (CEC)	India
47.	Centre for Research on Multinational Corporations (SOMO)	The Netherlands
48.	Centro Cultural Pachakamak Ayni	Ecuador
49.	Centro de Formación Guayana	Venezuela
50.	Centro de Políticas Publicas para el Socialismo (CEPPAS)	Argentina
51.	Center for Fair and Alternative Trade Studies	USA
52.	French Committee for International Solidarity (CFSI)	France
53.	Central Geral dos Trabalhadores do Brasil (national workers' federation – CGTB)	Brazil
54.	Centro de Investigación y Promoción Franciscano y Ecológico (Center for Franciscan and Ecological Investigation and Promotion – CIPFE)	Uruguay
55.	Center of Concern	USA
56.	Citizen for Social Justice and Development	Pakistan

57.	Ciudadanos Por La Integracion	Peru
58.	Coecoceiba-FOE	Costa Rica
59.	Colectivo de Lesbianas Feministas Josefa Camejo	Venezuela
60.	Colectivo Rebelión	Mexico
61.	Comhlamh	Ireland
62.	Comitè de Solidaritat amb els Pobles Indígenes dZ Amèrica	Spain
63.	Committee for Asian Women (CAW)	Thailand
64.	Commission for Filipino Migrant Workers (CFMW)	The Netherlands
65.	Confederation of Labor and Allied Social Services (CLASS)	Philippines
66.	Consumers Association of Penang	Malaysia
67.	Coordinador Consumidores Por El Desarrollo	Peru
68.	Coordination Sud, French plat-form of Development NGO's	France
69.	Coordination Andhra Pradesh Vyavasaya Vruthidarula Union-APVVU	India
70.	Corporate Europe Observatory (CEO)	The Netherlands
71.	DECA Equipo Pueblo	Mexico
72.	Ecologistas en Acción	Spain
73.	Earth Spirituality	USA
74.	Economic Justice Network	South Africa
75.	Economic Justice and Development Organization (EJAD)	Pakistan
76.	Ecoportal.Net	Argentina
77.	El Movimiento Popular y Social Organizado de El Salvador en las Comunidades de Fe y Vida COFEVI.Y su Pastoral Ecumenica	El Salvador
78.	Enda Tiers Monde	Senegal
79.	Espacio DESC	Mexico
80.	El Grupo Por Una Agricultura Alternativa Y de Alerta Ante La Transgenesis (Alternative Agriculture and GMO Alert Group - AGALAT)	Panama

81.	Fair	Italy
82.	Farmer Solidarity Project	USA
83.	Federacion de Obreros Universiatrios	Venezuela
84.	Federacion de Sindicato de Profesores Univeritarios (FENASINPRES)	Venezuela
85.	Federacion de Trabajadores de la Harina (FETRAHARINA)	Venezuela
86.	Federacion de Trabajadores de la Industria Gragica (FETRAIG)	Venezuela
87.	Federacion de Trabajadores de Telecomunicaciones (FETRATELECOMUNICACIONES)	Venezuela
88.	Federacion de Trabajadores del Sector Electrico (FETRAELEC)	Venezuela
89.	Federacion de Trabajadores Universitarios (FETRAUVE)	Venezuela
90.	Federacion Nacional de Sindicatos de Trabajadores de la Salud (FENASIRTRASALUD)	Venezuela
91.	Federacion Nacional de Trabajadores del Sector Publico (FENTRASEP)	Venezuela
92.	Federación Regional Única de Trabajadores Campesinos del Altiplano Sur FRUTCAS de Uyuni	Bolivia
93.	Federacion Unitaria de Trabajadores de Petroleo Y Gas (FUTEP)	Venezuela
94.	Farmer and Nature Net (FNN)	Cambodia
95.	Food and Water Watch	USA, Europe
96.	Food First/Institute for Food and Development Policy	USA
97.	Foro "Corriente de Opinion Ciudadana"	Argentina
98.	Frente Democtático Campesino (FDC)	Mexico
99.	Friends of the Earth	Malaysia, England, Wales and Northern Ireland
100.	Fundacion de Estudios, Accion, y Participacion Social de Ecuador	Ecuador
101.	Fundación Solon	Bolivia
102.	FUNDAMAYA	Guatemala

10 3.	Galway One World Centre	Ireland
10 4.	Ghana Trade and Livelihoods Coalition (GTLC)	Ghana
10 5.	Global Compliance Research Project	Canada
10 6.	Global Youth Network for Economic Justice (GLOYONEJ)	Indonesia
10 7.	Globalization Watch Hiroshima	Japan
10 8.	Gret	France
10 9.	Grassroots International	USA
11 0.	GroundWork, Friends of the Earth	South Africa
11 1.	Grupo Red de Economía Solidaria del Perú (GRESP)	Peru
11 2.	Hecho en Buenos Aires	Argentina
11 3.	IBON Foundation, Inc.	Philippines
11 4.	ILSA	Colombia
11 5.	Indian Society For Sustainable Agriculture & Rural Development	India
11 6.	Informationsgruppe Lateinamerika (IGLA)	Australia
11 7.	Initiative Colibri	Germany
11 8.	Institute for Agriculture and Trade Policy (IATP)	USA
11 9.	Institute for Global Justice (IGJ)	Indonesia
12 0.	Instituto de Regeneración Ecológica	Ecuador
121.	International Forum on Globalization	USA
122.	Japan Family Farmers Movement (NOUMINREN)	Japan
123.	KAIROS: Canadian Ecumenical Justice Initiatives	Canada

124.	Kentucky Interfaith Taskforce on Latin America and the Caribbean)	USA
125.	Kilusang Magbubukid ng Pilipinas (KMP)	Philippines
126.	La Coordinadora Simòn Bolívar	Venezuela
127.	La Unidad Ecológica Salvadoreña (UNES)	El Salvador
128.	Labour, Health, and Human Rights Development Centre	Nigeria
129.	La'o Hamutuk (Timor-Leste Institute for Development Monitoring and Analysis)	Timor-Leste
130.	Latin American Solidarity Centre	Ireland
131.	Legal Defense and Education for Women "Vereda Themis"	Mexico
132.	Llamado Mundial a la Acción contra la Pobreza	Peru
133.M	Malawi Health Equity Network	Malawi
134.	Marcha Mundial de Mujeres	Argentina
135.	Mesa Global de Guatemala	Guatemala
136.	Mennonite Central Committee	Canada
137.	Movement for Land and Agricultural Reform (MONLAR)	Sri Lanka
138.	Movimiento De Trabajadores Alfredo Maneiro	Venezuela
139.	Movimiento Por La Autonomia Sindical	Venezuela
140.	Mujeres Trabajando	Argentina
141.	National Agricultural Workers Forum (NAWF)	India
142.	National Alliance of People's Movements	India
143.	National Network of Agrarian Reform Advocates	Philippines
144.	OEBV-Via Campesina	Austria
145.	Movimiento de Agricultura Orgánica Costarricense (Costa Rican Organic Agricultural Movement – MAOCO)	Costa Rica

146.	Pesticide Action Network North America (PANNA)	USA
147.	Peoples' Network against Liberalization of Agriculture (PUMALAG)	Philippines
148.	Planeta Paz	Colombia
149.	Plataforma Argentina del GCAP	Argentina
150.	Plataforma de Solidaridad con Chiapas, Oaxaca y Guatemala de Madrid	Spain
151.	Platform Aarde Boer Consument (Earth Farmer Consumer)	The Netherlands
152.	Polaris Institute	Canada
153.	RALLT	Ecuador
154.	Red de Organizaciones Sociales	Paraguay
155.	Red de Semillas "Resembrando e Intercambiando"	Spain
156.	Red Mexicana de Accion frente al Libre Comercio (Mexican Action Network on Free Trade - RMALC)	Mexico
157.	Red Peruana de Comercio Justo y Consumo Ético (Peruvian Network of Fair Trade and Ethical Consumption)	Peru
158.	Red Sinti Techan	El Salvador
159.	Rede Social de Justiça e Direitos Humanos	Brazil
160.	Resistance and Solidarity against Agrochem TNCs (RESIST)	Philippines
161.	Sandigan Samahang Magsasaka (SASAMAG)	Philippines
162.	SETEM	Spain
163.	Social Enterprise Development Foundation of West Africa (SEND)	Ghana
164.	Sindicato Nacional Fuerza Unitaria Magisterial (SINAFUM)	Venezuela
165.	Sindicato Unitario De La Construccion (SUTAC)	Venezuela
166.	Social Development Network	Kenya
167.	South Asian Network for Social & Agricultural Development(SANSAD)	India

168.	Southeast Asian Council For Food Security and Fair Trade (SEACON)	South Asia
169.	Spire, the Development Fund Youth Group	Norway
170.	St. Lucia National Organization of Women	St. Lucia
171.	Taller Ecologista	Argentina
172.	Tanggol Magsasaka	Philippines
173.	The Cornucopia Institute	USA
174.	The Development Fund	Norway
175.	The National Confederation Of Officers Associations, (NCOA)	India
176.	The National Union of Students of the Philippines (NUSP)	Philippines
177.	The Oakland Institute	USA
178.	The Trade Collective	South Africa
179.	Third World Network	Malaysia, Africa
180.	Trade Watch	Italy
181.	Transnational Institute	The Netherlands
182.	Trócaire	Ireland
183.	Union De Comunidades Indigenas De La Zonanorte Del Istmo (Community Union of Indigenous of the Northern Zone of the Isthmus, Ucizoni)	Mexico
184.	Veterinarios Sin Fronteras	Spain
185.	Voice	Bangladesh
186.	War on Want	United Kingdom
187.	Welfare Association for the Rights of Bangladeshi Emigrants (WARBE)	Bangladesh
188.	Womyn's Agenda for Change (WAC)	Cambodia
189.	World Development Movement	United Kingdom
190.	World View	Gambia
191.	X minus Y Solidarity Fund	The Netherlands

ⁱ At the WTO's General Council and Trade Negotiating Committee (TNC), the Director-General, Pascal Lamy, said "we have all witnessed the financial turbulence we are in and the hikes in energy and food prices that are affecting severely many of your countries. At a time when the world economy is in rough waters, concluding the Doha Round can provide a strong anchor." Mr. Lamy has argued that the continuous expansion of multilateral trade is an insurance policy against market instabilities and financial turbulences. The President of the World Bank and former U.S. Trade Representative, Robert Zoellick, argued in a speech at the Center for Global Development, that a key solution to the food crisis "is to break the Doha Development Agenda impasse." He said, "A fairer and more open global trading system for agriculture will give more opportunities – and confidence – to African and other developing country farmers to expand production." Similarly, Dominique Strauss-Kahn, Managing Director of the IMF, wrote in an opinion in the Financial Times, "no one should forget that all countries rely on open trade to feed their populations. [...] Completing the Doha round would play a critically helpful role in this regard, as it would reduce trade barriers and distortions and encourage agricultural trade." Finally, the Secretary General of the OECD, Angel Gurría, wrote in an opinion piece in the International Herald Tribune, "Governments around the world face weakening economies and soaring food prices. Amid the hand-wringing, an important and immediate step they can take to help would be to agree on a new multilateral trade deal."

See http://www.wto.org/english/news_e/news08_e/gc_chair_tnc_7may08_e.htm;

http://www.wto.org/english/news_e/news08_e/tnc_17apr08_e.htm;

http://www.wto.org/english/news_e/sppl_e/sppl88_e.htm;

http://www.wto.org/english/news_e/sppl_e/sppl85_e.htm;

[http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21711307~pagePK:](http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21711307~pagePK:34370~piPK:42770~theSitePK:4607,00.html)

[34370~piPK:42770~theSitePK:4607,00.html](http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21711307~pagePK:34370~piPK:42770~theSitePK:4607,00.html); Financial Times, COMMENT: A global approach is required to tackle high food prices, By Dominique Strauss-Kahn, Apr 21, 2008; International Herald Tribune, Trade Agreement Needed Now, By Angel Gurría, April 25, 2008

ⁱⁱ A food trade surplus of US\$1.9 billion in the 1970's was transformed into a US\$17.6 billion deficit in 2000 and a US\$9.3 billion deficit in 2004. Excluding Brazil, the figures are even more drastic: A food trade surplus of US\$1.6 billion was transformed into a deficit of US\$26.1 billion by 2004. The cereal import bill for low-income food deficit countries in 2007 reached over US\$38 billion. According to FAO projections, by the year 2030, the net food trade deficit of developing countries is expected to swell to more than US\$50 billion.

ⁱⁱⁱ Cited in The Star Tribune

^{iv} Making a Killing from Hunger, Grain, April 2008