

Is the Trade Justice Movement politically biased?

David Golding

[Comments by the aid agencies on the lack of progress towards reform of the world trade rules to combat global poverty recently prompted accusations of political bias in one religious monthly. I attempted to respond as detailed below.]

However gross the abuse of the poor, there are always those who seek to deflect the call for reform by, absurdly, dismissing those involved as “*anti-capitalist*” or “*socialist*” (in the US, we’d be branded as “*communists*”!). For the record, I’m neither, but that’s irrelevant, because this is not a party political issue.

Mr W. objected to Tearfund’s use of the word “*Betrayed*” in connection with the trade talks. Would he prefer the terms used in the relevant editorial of the Financial Times, no less, namely, “*scandal*” and “*shocking*”? If some Western trade policies do not give reason for deep concern, why did Michael Howard, as Leader of the Conservative Party, call them “*appalling*” and “*hypocritical and immoral...for every dollar that poor countries receive in aid, they lose two dollars through barriers to their exports...a terrible indictment*”. And if the problems of poor countries are entirely of their own making, why did Mats Karlsson, the World Bank’s director in Ghana, say that “*The biggest problem facing farmers in the developing world are the subsidies the West provides for its own farmers. These are deeply unfair*” (2005).

I categorically deny that the Trade Justice Movement is hostile to trade liberalisation *in principle* (or, for that matter, to either capitalism or socialism!) and free trade doubtless has real advantages when the participants are of similar strength. However, the *enforcement* of *premature, indiscriminate* liberalisation on poor countries, exposing their puny, uneducated producers to the full force of competition from (often subsidised) multinationals, with their immense financial and technical resources, is as absurd as it is callous. A ‘level playing field’ is no guarantee of a fair match if you pit a primary school eleven against Newcastle United! Not surprisingly, the UN committee, UNCTAD, has reported that precipitate trade liberalisation has brought rising poverty in its train, with the countries that have liberalised the most being the worst affected. Sam Mpasu, Malawi’s industry minister, provided a much needed dose of economic reality to the armchair theorists in Washington and London, when in 2003 he reported that, “*We have opened our economy, that’s why we are flat on our back*”. Most rich countries have protected and supported their own producers at an earlier stage of their development and still continue to do so in some sectors. Now they deny poor countries use of the ladder up which they have themselves climbed.

The full enormity of our policies can only be judged on the ground. The former Malian government minister, Aminata Traori, says, “*They say they are developing us, but they are lying... They are killing us*”. And this is not hyperbole. Mary Robinson, the highly respected former President of Ireland and UN High Commissioner for Human Rights, reported that “*In Mali, I saw babies lying in a ditch and children who couldn’t go to school because of subsidised dumping of US cotton*”.

The backcloth to the current trade talks are earlier agreements in which poor countries were “*cheated*”, having “*had their arms twisted and got nothing in return*” (Professor

Joseph Stiglitz, former Chief Economist of the World Bank and winner of the Nobel Prize in Economics). Against this backcloth the West continues to demand every last ounce of its 'pound of flesh', wringing still further, damaging concessions from poor countries in return for the reform of oppressive practices it should not have adopted in the first place. The Conservative Peer, Lord Griffiths, formerly Head of Margaret Thatcher's Policy Unit, last year put it perfectly not only for compassionate conservatives, but for decent people of all political persuasions: "*Global poverty as we see it today – the billion plus people who live on less than a dollar a day – is totally unacceptable to any practising Christian*". It is indeed, to both believers and non-, but so are (or should be) the systems of trade injustice which exacerbate it.

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