

Globalisation and WTO: 'Women take on the Giant'¹
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Introduction

In Thailand, small-scale farmers of soybean and cassava (two important cash and export crops) have come under heavy economic pressure (from cheap imports of soybean, export barriers and the development of alternative sources of cassava in western markets). Women farmers growing these two crops have to work longer and harder in the farms and also face greater health risks from increased use of pesticides to increase production.

In the Philippines, indigenous women farmers in the Cordillera who grow potatoes have faced the effects of the liberalization of the potato industry signaled by the lifting of the import ban on potato seeds in 1987 and the tariffication of potatoes as laid down in the Agreement on Agriculture under the WTO. Like their sisters in Thailand, women farmers in the Cordillera have to work longer hours in the farm (from 9 to 10 hours), face health treats due to the increasing use of pesticides to increase production and lack of access to credit and production assistance.

In Indonesia, cheap imports of rice and depressed domestic prices threatened the food security and livelihood of a large number of rice-growing small farmers in Indonesia. The government's "safety net", providing farming credit to farmers has been ineffective in its implementation. Women have been excluded from access to the credit by "village units" which decided on the loans, as women were not considered farmers because they are not involved in the plowing of the land.

In India, in 10 villages in Tamil Nadu, the shift to flower production for exports has decreased the production of food crops and led to higher food prices, lower employment, lower income and lower food consumption among marginal farmers and landless women workers

In Sri Lanka, Food imports increased since 1996, a year after the WTO was established. The increase in imports was followed by a decrease in food production resulting in the drop in rural employment. About 300,000 jobs were lost due to the drop in the production of onions and potatoes.

The above are the reports of our rural and indigenous women on the effects of the policies of the World Trade Organization on their lives, their village and in their country.

My paper will present the meaning of globalization, its historical roots, the major international institutions pushing the policies of globalization in our countries and the impact of such policies. It will end with how, we in APWLD takes on the giant and our alternative to globalization.

The Meaning of Globalization

At an immediate level, globalization is associated with the faster interconnection among countries because of advances in transportation and communication. Globalization is also identified with a “borderless” world as goods and services and cultural products and ideas travel across borders with relative ease. It can also refer to the global effects of initially local or national problems such as the degradation of the environment, the spread of the drug problem, the transmittal of AIDS and other contagious diseases; problems which do not recognize national boundaries.

But globalization is not only these. Beyond faster communications, cultural homogenization and rapid spread of diseases, globalization is first and foremost an economic process. Globalization means the reduction of the role of governments in regulating trade and production and in providing services. It adheres to the belief that the market is the most efficient and effective determinant of what should be produced and what would be consumed.

For example, under globalization, what is to be planted by farmers in one country is not to be determined by the needs of that country but by how competitive that product is in global trading. Meaning, if you are a rice farmer in the Philippines, then your products should compete with the rice products of an American company or a Thai company. If your price is higher compared to them, then you will lose and you should find another crop to plant. The Philippine government should not impose taxes on Thai rice or California rice because that will be interfering with the free operations of the market.

Another example, under globalization, a hospital or a school should be able to show profit so that it can continue to operate. If it keeps on losing money or is dependent on government subsidies or support, then it should be closed because it is inefficient. Only those schools and hospitals which are earning money should remain in operation.

Another example, the prices of important products such as oil or petroleum which are basic to the running of the economy should not be regulated by government; meaning its price should be determined by the oil or petroleum companies. If

government dictates the price of the gasoline, then again, it is interfering with the smooth flow of the market which will supposedly lead to inefficiencies.

In sum, globalization is reflected in three major policies which many governments in Asia have adopted. These are the policies of liberalization, privatization and deregulation.

Liberalization ---the reduction and eventual removal of barriers to the flow of goods, services and capital from one country to another. Example is the reduction or removal of tariffs or taxes on imported agricultural products such as beef, wheat or corn

Deregulation---the removal of government intervention in setting or regulating the prices of goods and services regardless of whether this benefits the consumers or not. Example is the deregulation of the oil industry in almost all our countries.

Privatization is the total or partial sale of government-owned or controlled corporations or institutions to the private sector. Example is the sale of formerly government owned and managed water and electric companies to private businesses

While ostensibly globalization promotes development of poor countries, in reality, globalization as the integration of national economies into the world market represents the interest of advanced industrialized countries to facilitate the easy entry and exit of transnational corporations into or out of developing countries for cheap labor and greater profits.

Globalisation did not happen overnight

Colonial powers such as England, the United States, France, Germany, Netherlands and Japan exploited their colonies in Asia, Africa and Latin America through unequal trade and utilization of cheap labor. The economies of the colonies remained basically agricultural as landlordism was supported and expanded by the colonial powers on the one hand and the dumping of finished products from the West stunted the growth of local manufacturing.

Even with independence, the structure of the economy of the former colonies did not basically change. The developing countries remained exporters of raw materials such as sugar, coffee, precious metals and importers of finished products. Under these conditions, the developing countries remained poor as the earnings from exports were generally not sufficient to pay for their imports.

To be able to pay for their imports, developing or poor countries resorted to international borrowings from the International Monetary Fund and from international commercial banks owned by Western powers. The borrowings

intensified when oil prices increased four times in 1973 which aggravated the money problems of developing countries. From the early 70s to the early 80s, international lending to developing countries proceeded at a dizzying pace averaging \$20 billion a year from 1973 to 1981.

Structural adjustment programs or SAPs became the prescription from the World Bank and other lending institutions for indebted developing countries.

For the World Bank, developing countries are poor and cannot pay their debts because of bad domestic economic policies. These supposedly wrong economic policies principally involve emphasis on production for meeting local needs instead of competing in the global market. The World Bank also pointed as wrong too much government spending and too much intervention in the economy.

The prescriptions of the World Bank included the following:

1. Wage control
2. Reduction of government spending hence removal of government support for agriculture (for example buying of farmers' products), reduction of government budget for education, health and other social services
3. Increase in government income through imposition of higher and new taxes such as the VAT
4. Emphasis in dollar earning economic activities such as expansion of export crop production, tourism and encouragement of foreign investors through incentives given to them in industrial enclaves or export processing zones

WORLD TRADE ORGANIZATION (WTO)

The World Trade Organization or WTO is the third, after the IMF and World Bank, of the big three international institutions which determine the economic, financial and trade policies of our countries.

The WTO was formally established on January 1, 1995 although it traces its roots to the General Agreement on Tariffs and Trade or GATT formed in 1948 which provided the framework for the conduct of international trade. The main objective of GATT, and now the WTO, is to open up (liberalise) trade among its member countries by reducing tariffs (taxes) and quotas (volume or number) on traded products. Since 1994, the WTO has expanded its coverage to include not only traded goods such as agricultural products, textiles and clothing but also trade in services (such as health, education or banking), trade-related aspects of intellectual property rights and trade-related investment measures. This expansion was made possible through various agreements such as the General Agreement on Trade and Tariffs (1994), Agreement on Agriculture (AoA),

Agreement on Textiles and Clothing, Trade Related Investment Measures (TRIMs), Trade Related Aspects of Intellectual Property Rights (TRIPS) and General Agreement on Trade in Services (GATS)

Of particular importance to rural and indigenous women is the Agreement on Agriculture (AoA) of the WTO. The AoA basically opens up a country to agricultural products from other countries through the reduction or removal of taxes for imported agricultural products, reduction or removal of restrictions on the number/or volume of imported agricultural products, reduction or removal of government support to local farmers and their products

Although the AoA was supposed to enlarge the foreign market of local agricultural producers, it has actually opened the door to cheap imports of products from developed countries such as the United States into developing countries where millions of small-scale and family farmers could not compete with giant multi-national agribusinesses.

The United Nation's Food and Agriculture Organisation (FAO), after studying the effect of the liberalization of agriculture in 16 countries all over the world found that the AoA has brought about the influx of imported food into developing countries but has not led into an increase of their exports

The Impact of Globalisation: Rural Farming Communities and Rural Women as Losers in Globalisation

What has the drive towards the full opening of countries to world trade resulted in?

1. The possibility of farmers owning their own land has become slimmer as land planted to food crops are rapidly converted to export crops or to industrial estates and tourist areas.
2. Even farmers who already own a small piece of land or have rights to it are in danger of losing the land because of bankruptcy or land use conversion
3. While farmers' products are sold at a low price, the cost of agricultural inputs continue to rise in spite of liberalization
4. Traditional water and fuel sources in the village are lost as environmental degradation due to commercial mining and logging.
5. Education and health services become more expensive as government schools and hospitals are privatized
6. The free entry and exit of international investors means easy relocation of factories and firms from one country to another in pursuit of cheaper and docile labor force and better incentives. Infant domestic industries which cannot withstand competition from international giant corporations go bankrupt.

7. Displaced farmers are not absorbed by new employment and join the already vast army of unemployed. Labor contractualization, flexibilization and migration remain the only options of the working classes.

For women:²

1. As mothers and home managers
 - a. longer hours of work
 - b. additional jobs to generate more income
 - c. greater hunger and malnutrition
 - d. worsening health conditions
 - e. worsening physical, emotional and psychological stress
 - f. increase in female-headed households
2. As farmers and producers
 - a. loss of land and loss of control in agricultural processes
 - b. involvement in informal economy
 - c. factory and subcontracting work at low wages and no job security
 - d. prostitution
 - e. sex trafficking
3. As community workers and organizers
 - a. added work as such
 - b. additional work as health workers
 - c. repression

Effects on the Nation, People and Peasantry

1. Decapitalization in terms of money, natural and human resources
2. Destruction of agriculture
3. Destruction of domestic industries
4. Destruction of environment and ecology'
5. Destruction of communities
6. Repression and militarization
7. Loss of culture, tradition and identity

Women Take on The Giant

As the ill effects of globalization intensify, protest and resistance against it likewise has continuously expanded in intensity, in size and scope and in variety of forms in recent years. People's and women's movements, alliances and networks nationally, regionally and internationally have been formed and expanded through the years and have at various levels been effective in lobbying against and in exposing the evils of globalization

On the occasion of the Ministerial Meetings of the WTO in Seattle in 1999, in Mexico in 2003 and in Hong Kong in 2005, hundreds of thousands joined in mass protests to stall any further talks and agreements to liberalize trade.

The Asia Pacific Forum on Women, Law and Development sponsored the first ever Women's Tribunal Against the WTO in Hong Kong on December 16, 2005. A Presidium of Judges headed by Malaysian Irene Fernandez heard the testimonies of six witnesses and accepted the submissions by presenters from various Asian countries.

The Women's Tribunal found WTO guilty of the following crimes:

- ◆ Cause of abject poverty of billions of rural women and their families who were driven out of land and farm production;
- ◆ Pushed and forced thousands of peasant women and daughters to the flesh trade for lack of alternative livelihoods;
- ◆ Caused women to suffer from hunger and malnutrition, very hazardous forms of work and exposure to hazardous technologies like pesticides and chemical fertilizers;
- ◆ Exacerbating the existing discrimination suffered by women producers in the spheres of employment, wages and the conditions of work; and
- ◆ Favoring big companies and big economies like the US and EU and giving them tremendous freedom to expand thereby destroying small economies and violating the rights of the people, especially rural and indigenous women of developing countries

The Tribunal found governments guilty of the following:

- ◆ Neglect of fundamental needs and welfare of women by adoption of WTO policies;
- ◆ Refusal to resist these policies even in the face of clear evidences that these are harmful to women;
- ◆ Failure to recognize and break up patriarchal values entrenched in laws and policies that continue to oppress women;
- ◆ Failure to respect women's health and reproductive rights making women more vulnerable;
- ◆ Non-implementation of genuine agrarian reform;
- ◆ Putting food security and the environment in jeopardy; and
- ◆ Increased repression of women's and people's movements.

The concluding statement of the Women's Tribunal "called for an end of the WTO as a world trade body, for US, EU and other big economies to end the repression and arm twisting of smaller economies, for the compensation and indemnification of all victims of globalisation, especially rural women and for the removal of governments working in collusion with WTO. It urged victims to file complaints with the United Nations and its pertinent committee and rapporteurs and all movements to strengthen international solidarity so that rural women can claim their rights and dignity."

Conclusion

Asian women, especially rural and indigenous women, have taken on the giant that is the WTO and while achievements have been made in raising awareness and in organizing our sisters, who comprise the majority in our region, the giant is far from defeated. It continues to wreak havoc in our countries and in our peoples.

A July 2007 Associated Press story quoted a UN report which, while citing a drop in poverty in Asia also raised concern over the widening income inequality in the region.” The share of income of the poorest 25 percent of the population in the region declined to 4.5 percent in 2004 from 7.3 percent in 1990, contrasting with sub-Saharan Africa, where the share of income of the bottom 25 percent remained the same at 3.4 percent.” The report also noted that “South and Southeast Asia are among the regions with the highest percentage of children under 5 suffering from malnutrition” and that “progress in promoting gender equality in Asia remained slow, with a large number of women still facing employment discrimination and receiving poor health care”.³

Much still has to be done to strengthen our organizations and our solidarity as we continue to hold our ground against the giant.

¹ This paper is mainly based on “Globalization and Women, A Discussion Guide for Trainors”, which I authored. The guide was a project of the APWLD’s Task Force on Rural and Indigenous Women and was published by APWLD in 2006

² Conference Proceedings, “Asian Peasant Women Dialogue on the General Agreement on Trade and Tariffs (GATT) and Structural Adjustment Programs (SAPs), November 9-18, 1992, Antipolo, Philippines

³ Associated Press. “UN: Drop in Poverty in Asia Accompanied by Rising Inequality. July 3, 2007