

# The US has abandoned the world's needy at the WTO

## AGRICULTURE

KEVIN P GALLAGHER

The United States has left the world's poor at the global trade negotiating table. After more than a decade in gridlock, world trade negotiators had high hopes to close a final deal at the World Trade Organisation (WTO), which is to hold a ministerial in Bali, Indonesia next week.

But the United States was not prepared to let developing countries protect their poor from the harmful swings in world food prices. All the more unfortunate considering these price swings are increasingly caused by US policy in the first place.

Now, negotiations have collapsed. This is all the more regrettable, not only because the WTO serves as a global rules-based system where nation-states moni-

tor each other's policies to make sure they are not too trade-distorting. More specifically, the WTO can also be praised for helping to prevent nations from putting up major protectionist barriers in the wake of the global financial crisis.

The new director-general of the WTO, Brazil's Roberto Azevedo, was trying to seek this momentum by moving forward to declare a pivotal victory for the WTO. His proposal had two main components.

First, agree on a deal to streamline global customs rules and second, allow developing countries to buffer their poor from volatile food prices until a more comprehensive deal on food and agriculture could be reached in a future round of negotiation.

The reasoning behind this package was sound. Food price volatility has wracked the world's poor in recent years. A global food price spike in 2007-08 triggered the Arab Spring movement and took a bite out of the food budgets of the world's poorest urban consumers. Low prices a decade earlier had squeezed

many small farmers off the land who today comprise much of the urban poor.

Much of this upward pressure on food prices can be traced back to the United States. The US subsidises its agricultural sector to a massive degree. The World Bank estimates that these cost poor countries \$12 billion (385 billion baht) on an annual basis.

What is more, the US financial industry "financialised" food by creating commodity index funds that speculators have feasted on since the global financial crisis. The Dodd-Frank Bill, the financial reform legislation in the US, was to put limits on such speculation. However, big US agribusinesses are trying to see to it that such limits are dropped from the rulemaking.

So it does not come as a real surprise that it was the US that rejected a proposal by India and other countries to buffer their poor farmers and consumers from food price swings. The US government claimed that measures to protect its farmers and consumers from food price volatility were a violation of WTO rules.

Instead, the US offered a peace clause whereby the US and other nations would not file claims against poor countries for these measures for three to four years.

The US claimed that allowing India to support farmers and consumers who live on less than \$1.25 a day from food price volatility would distort global markets.

That claim is jarring to the world's poor. Given that it takes three to four years to settle a dispute in the WTO, a three to four year grace period adds little benefit. Moreover, agreeing to a peace clause would essentially make poor countries admit that their measures are in violation of WTO rules, which shouldn't be the case.

The United Nations's special rapporteur for food has just noted how the policies of the WTO are incompatible with food security measures. It is a scandal that the world's countries had a golden opportunity to fix a fundamental distortion in the global trading system that causes impoverishment — and that

the US has flatly blocked it at the WTO.

By dumping the WTO unless it accedes in full to US demands, the US, despite all its rhetoric in favour of multilateral approaches, makes plain its intention to focus on trade treaties like the Trans-Pacific Partnership. In such deals structured by the US, food is largely off the negotiating table.

This further underscores that regional trade deals distort the world economy and put developing nations at a negotiating disadvantage relative to the US.

The WTO, with its one-country-one-vote negotiating structure, can yield far more equal outcomes. There will be a last chance to salvage global trade talks next week in Bali. The US should do right by the world's poor and grant them food security. ©2013 THE GLOBALIST.

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COMMENTARY  
Nicholas D. Kristof



## Where is the love in attitudes towards poor?

When I've written recently about food stamp recipients, the uninsured and prison inmates, I've had plenty of pushback from readers.

A reader named Keith reflected a coruscating chorus when he protested: "If kids are going hungry, it is because of the parents not upholding their responsibilities."

A reader in Washington bluntly suggested taking children from parents and putting them into orphanages.

Jim asked: "Why should I have to subsidise someone else's child? How about personal responsibility? If you procreate, you provide."

After a recent column about an uninsured man who had delayed seeing a doctor about a condition that turned out to be colon cancer, many readers noted that he was a lifelong smoker and said he had it coming.

"What kind of a lame brain doofus is this guy?" one reader asked. "And like it's our fault that he couldn't afford to have himself checked out?"

Such scorn seems widespread, based on comments I get on my blog and Facebook page — as well as on polling and on government policy. At root, these attitudes reflect a profound lack of empathy.

A Princeton University psychology professor, Susan Fiske, has found that when research subjects hooked up to neuro-imaging machines look at photos of the poor and homeless, their brains often react as if they were seeing things, not people. Her analysis suggests that Americans sometimes react to poverty not with sympathy but with revulsion.

So, on Thanksgiving, maybe we need a conversation about empathy for fellow humans in distress.

Let's acknowledge one point made by these modern social Darwinists: It's true that some people in poverty do suffer in part because of irresponsible behaviour, from abuse of narcotics to criminality to laziness at school or jobs. But remember also that many of today's poor are small children who have done nothing wrong.

Some 45% of food stamp recipients are children, for example. Do we really think that kids should go hungry if they have criminal parents? Should a little boy not get a curved spine treated properly because his dad is a deadbeat? Should a girl not be able to go to preschool because her mother is an alcoholic?

Successful people tend to see in themselves a simple narrative: You study hard, work long hours, obey the law and create your own good fortune. Well, yes. That often works fine in middle-class families.

But if you're conceived by a teenage mother who drinks during pregnancy so that you're born with foetal alcohol effects, the odds are overwhelmingly stacked against you from before birth.

Likewise, if you're born in a high-poverty neighbourhood to a stressed-out single mum who doesn't tread to you and slaps you more than hugs you, you'll face a huge handicap. One University of Minnesota study found that the kind of parenting a child receives in the first 3.5 years is a better predictor of high school graduation than IQ.

All this helps explain why one of the strongest determinants of ending up poor is being born poor. As Warren Buffett puts it, our life outcomes often depend on the "ovarian lottery". Sure, some people transcend their circumstances, but it's callous for those born on second or third base to denounce the poor for failing to hit home runs.

John Rawls, the brilliant 20th-century philosopher, argued for a society that seems fair if we consider it from behind a "veil of ignorance" — meaning we don't know whether we'll be born to an investment banker or a teenage mum, in a leafy suburb or a gang-ridden inner city, healthy or disabled, smart or struggling, privileged or disadvantaged. That's a shrewd analytical tool — and who among us would argue for food stamp cuts if we thought we might be among the hungry children?

As we celebrate Thanksgiving, let's remember that the difference between being surrounded by a loving family or being homeless on the street is determined not just by our own level of virtue or self-discipline, but also by an inextricable mix of luck, biography, brain chemistry and genetics.

Low-income Americans, who actually encounter the needy in daily life, understand this complexity and respond with empathy. Researchers say that's why the poorest 20% of Americans donate more to charity, as a fraction of their incomes, than the richest 20%.

Meet those who need help, especially children, and you become less judgmental and more compassionate. And compassion isn't a sign of weakness, but a mark of civilisation. ©2013 THE NEW YORK TIMES

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# Amnesty does not have to be a dirty word

## RECONCILIATION

JACOB HOGAN

In view of its controversy and divisiveness for Thai society, the amnesty bill has duly fallen by the wayside.

But the idea of having an amnesty as a mechanism to heal rifts and promote long-term reconciliation in Thailand should not be abandoned for good.

In countries attempting to escape from seemingly intractable conflicts, an amnesty is often proposed as a tool to assist reconciliation, create peace and help societies move on from the past.

Amnesty as a tool of peace and reconciliation has been used in places as diverse as Argentina, Northern Ireland and South Africa, with varying degrees of success.

In the aftermath of Argentina's "Dirty War" — a domestic conflict in which the government was responsible for 30,000 "disappearances" of its own citizens as well as systematic arrest, torture and abductions of opposition or undesirable figures — blanket amnesties were enacted with the aim of absolving government and military leaders of the crimes and human rights abuses they committed during the conflict.

The justification was that an amnesty is a necessary step to wipe the sins of the past and generate Argentina's transition to peace and reconciliation.

However, among the public this amnesty was widely deemed illegitimate. It only served to deepen divisions in society and complicate the overall judicial process, the consequences of which the country is still dealing with today.

For a country proposing the use of an amnesty, it must ensure it is guided by several key principles to avoid encountering the same pitfalls as Argentina.

It is essential that it be the product of open and honest negotiations between all of the stakeholders associated with the conflict and be part of a wider reconciliation programme aimed at protecting the rights of victims while also putting in place a foundation for peace and stability for the future.

Amnesty should not be the goal of a reconciliation process, but may be an instrument used to create a peaceful outcome. It should be a means to an end, not the end itself. Amnesty must not be seen as a ploy for vested interests. Under no circumstances should the goal of an amnesty be to whitewash crimes, absolve the responsibilities of specific individuals for their actions or to cover-up and forget what has occurred.



A protester waves a flag in front of the Democracy Monument with an anti-amnesty bill message on his scarf. POST TODAY

At the heart of any amnesty, there should be an unequivocal need to protect the rights of victims to pursue and know the truth about the crimes that have been committed. This must be delicately balanced with the need for a society to learn from and move towards forgiveness of violations committed in the past. This can be achieved by adding some kind of conditionality to the amnesty.

For example, during the conflict over the policy of apartheid in South Africa, both the government and opposition groups had been responsible for com-

mitting ever-escalating reciprocal acts of violence and abuses of human rights over a period of more than 40 years. A core part of the reconciliation process was the opportunity to apply for amnesty from the Truth and Reconciliation Commission. The TRC only granted an amnesty in cases strictly connected to the political conflict and only on the condition that the perpetrator had truthfully disclosed all of the facts.

From the outset of the reconciliation process, it was communicated that amnesty was not being used to absolve

or ignore the crimes of perpetrators, but it was used to diffuse tensions in society and to lay down the foundations for enduring peace while also creating closure for the victims by giving them the right to truth.

In the Northern Ireland peace process, amnesty was granted with the condition of disarmament and non-recidivism, as well as public confession. It was in effect a suspended sentence dependent on future behaviour.

In other situations, there may be some set of actions that must be met by the

# After B-52s, talks are needed to end island dispute

## DIPLOMACY

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Northeast Asia is stumbling dangerously close to a confrontation over a chain of uninhabited islands known as the Senkakus by Japan, which administers them, and Diaoyu by China and Taiwan, which separately claim them. Although the probability of a conflict remains low, the consequences would be incalculable. With the US committed to defending its ally Japan, any flare-up would quickly involve the world's three largest economies.

Japanese and Chinese ships and fighter jets have been playing a cat-and-mouse game in the area for the past year. But tensions rose drastically last week when China declared the imposition of a vast "air defence identification zone" off its

shores, encompassing the disputed isles. Beijing has demanded that any planes flying through this zone alert and obey Chinese air traffic authorities; any violators are liable to be intercepted. (The zone also covers areas claimed by South Korea, which has been growing closer to China in recent months as its own relations with Japan have frayed.)

The US has condemned China's move as "a destabilising attempt to alter the status quo in the region", and has already defied the edict by flying a pair of B-52s across the zone without informing Beijing. That was a useful message to send quickly, before the chances of a miscalculation increase any more. But at this fraught moment the leaders of China, Japan and South Korea need more than anything else to be talking to one another. When he visits Asia next week, US Vice President Joe Biden should concentrate on making this happen.

The leaders have been purposely avoiding one another. South Korean President Park Geun-hye won't meet Japanese Prime Minister Shinzo Abe

because of his government's alleged soft-peddling of Japan's brutal wartime record. Chinese President Xi Jinping has rejected offers of a summit with Mr Abe, saying Tokyo must first admit that sovereignty over the Senkakus/Diaoyu is in dispute. Mr Abe refuses to concede even that semantic point.

One might well ask what use talks would be. To outsiders, the tensions that have plagued the region since Japan's colonisation of its two neighbours can seem arcane: arguments over history books, shrine visits and official apologies. Mistrust of Mr Abe's nationalist government runs so deep in Seoul and Beijing that any new statement of regret for Japan's wartime brutality — even if forthcoming — would probably not be reckoned sincere. The territorial disputes are even more intractable.

Mr Abe, Ms Park and Mr Xi should have much else they can agreeably discuss, however. All face the twin challenges of economic restructuring at home and a still-sluggish global economy. Much more can be done to

enhance trade and investment among them. This week, in fact, negotiators from all three countries are meeting in Tokyo to discuss a trilateral free-trade agreement that would cover a market of more than 1.5 billion people and an estimated US\$690 billion in trade. Last week a delegation of almost 170 Japanese businessmen travelled to China, where sales of Japanese goods have started to bounce back after tensions exploded over the Senkakus/Diaoyu last year.

China seems to believe that the US should rein in its Japanese ally, rather than support its defiant stand. Mr Biden would be well-advised to dispel this notion next week: If Chinese officials truly want to improve communication and avoid accidents in the disputed area, they can take up Japan's longstanding offer to negotiate shared rules of conduct and establish a hot line between the Japanese and Chinese militaries.

Ms Park, who is playing to domestic sentiment with her hardline stance, should in theory be an easier sell. Korea's refusal to engage with Japan clearly dam-

ages US interests — a point Mr Biden can make more strongly than less senior US officials have recently.

Even some Korean commentators have acknowledged Mr Abe deserves more credit than he's received for behaving responsibly, especially after his thumping victory in recent Upper House elections. He's tabled the most controversial proposals for altering Japan's peacetime constitution, and declined to visit the Yasukuni Shrine, which honours 14 Class A war criminals. Mr Abe also reached an agreement in April allowing fishing in the disputed waters by Taiwan. Still, the US can expect him to do more. If the Chinese will engage on talks about a code of conduct near the Senkakus/Diaoyu, Mr Abe should be able to find a way to satisfy China's conditions for a summit.

There is far too much at stake in the region, and far too much in dispute. The leaders of China, Japan and South Korea need to start talking as much about what brings them together as what's driving them apart. ©2013 BLOOMBERG VIEW