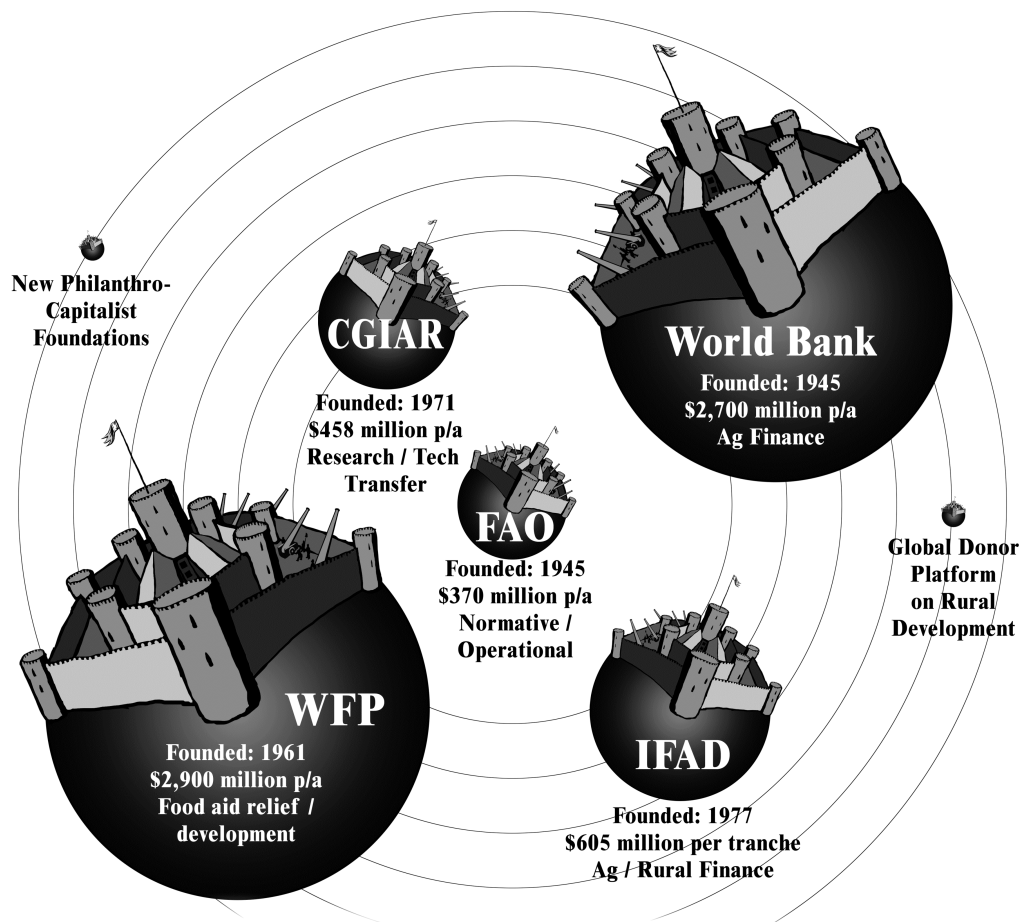


Food's Failed Estates = Paris's Hot Cuisine **Food Sovereignty – à la Cartel?**

Because governments have failed to govern, the leading multilateral institutions involved in food and agriculture are in deep trouble. Unless governments and international secretariats cooperate, these institutions will be irreparably damaged and the power vacuum OECD states have created over recent decades will continue to be filled by multinational agribusiness and the new philanthro-capitalists.



Food's Failed Estates

Issue: Food Sovereignty, the political philosophy introduced by Via Campesina, has become a hot geopolitical topic. For the first time in decades, food issues are rising high on the international agenda – pushed there by alarm over climate chaos; booming population growth; the fast-growing appetite for meat and dairy products; and, the land and price pressures imposed by agrofuels. All of this at a time when the major multilateral food and agricultural institutions are reverberating from tough performance reviews and as new philanthro-capitalists ramp up their influence over agriculture and rural development.

Stakes: Climate change is expected to erode the global South's food production by 20% even as agrofuels claim as much as 12% of arable land and food expenditures (up more than \$1 trillion since 2004) keep rising to turn the Millennium Development Goal of halving hunger by 2015 into bitter gruel. The ranks of the hungry are expected to climb from 854 million¹ today to 1.2 billion in 2025².

Actors: No one seems to have seen the problem coming. Governments point the finger at the multilateral institutions they themselves govern while the institutions blame government inertia. Scientists want money for a magic green bullet. Industry does too – but it wants to stay out of the crosshairs. The new mega-foundations want to muscle public and private agendas into a common strategy. Farmers want the Food Sovereignty agenda they adopted in Mali one year ago.

Fora: Both the Biodiversity Convention and the UN's Commission on Sustainable Development will highlight agriculture in the first half of the year and FAO will convene a global meeting on the major problems in June. Also, during 2008, governments will ponder recent evaluations of IFAD, FAO, CGIAR, the World Bank's agricultural program, and the World Food Programme's new strategy. There could be a showdown September 2-4 in Ghana at the High Level OECD-dominated meeting of the 2005 Paris Declaration on Aid Effectiveness – Paris's "hot cuisine." Will governments rescue food's failed estates or will they create a new food cartel? Will organizations of farmers, fishers, indigenous peoples and pastoralists have a seat at the table?

Policy: As enfeebled as multilateral institutions have become, if governments give up on multilateralism, OECD states will retreat further into bilateralism and turn to corporate philanthropists and agribusiness to take an even stronger lead. The UN Secretary General should immediately convene a meeting with the heads of the major multilateral food and agricultural agencies along with their executive committees to establish a process for renewal. The problem is that neither governments nor secretariats have shown the political will to act decisively and civil society – the only player that can force the political agenda – isn't paying attention to the multilateral muddle. Part of the solution might be a **New Roman Forum** engaging all the multilateral actors, governments, civil society and social movements.

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1. The Year of Living Dangerously

The Menu: An uneasy consensus may be emerging that world population will jump 30% by mid-century as higher-temperatures, rising sea levels and the new pests and diseases that accompany climate change erode the South's agricultural output by 20% by 2020.³ Meanwhile, the demand for agrofuels might create a "peak soil" market that could consume 12% of arable land long before 2050.⁴ Simultaneously, the very real threat of crop and livestock pandemics will join with rising consumption of meat and dairy products; accelerating water exploitation and aquifer depletion to dry up food stocks⁵ and drag up food prices beyond the reach of the marginalized.⁶ Rather than halving the number of hungry people by 2015, their ranks could increase by 50% by 2025.⁷

There is also recognition that the food system's corporate structure is worryingly more concentrated. Agricultural suppliers – the oligopoly comprising crop and livestock genetics, pesticide, and fertilizer manufacturers – see the current conundrum as an opportunity to forge a new governance hegemony that will give them final command over both food and fuels. The suppliers' storyboard assumes that the dynamic duo of accelerating population and collapsing ecosystems require a kind of "state of technological emergency" in which corporations must be allowed an unfettered hand to use genetic engineering and synthetic biology (coupled with Terminator seeds – as a "green" safety precaution) to adapt crops and livestock to changing climatic conditions and to develop agrofuels that will protect the economy from peak oil and the food supply from peak soil.

To address this emergency, the input suppliers argue, the precautionary principle and biosafety regulations must be muted, competition policy arrested, and patent monopoly extended. The suppliers must have priority access to genetic resources; and the food system must be oriented to salvaging major crops (rice, wheat, maize, potatoes, soybeans) in the major growing areas (the prairies, plains, Pampas and Punjab). The so-called marginalized peoples on marginalized lands growing minority crops (all 1.4 billion of them)

must – in advance of declining yields – be evacuated to city slums so that their abandoned forests and fields can be conscripted to agrofuel production.

The food system's processors and retailers are less sanguine. As even the world's poorer countries are embraced in the Wal-Martization of the food supply, the marketers are anxious that the food chain deliver a reliable flow of low-priced products and they are fretful that consumer reaction could trigger government action – including control over food stocks and prices.⁸ Although Wal-Mart & Co. welcome the potential to use new technologies to accelerate the commodification of food manufacturing, processors and retailers want to be sure they are the ones yanking the food chain after having been stung by a succession of food safety scandals.

These conflicting corporate interests still share many commonalities. Both see risk but great opportunity in the world's renewed focus on food security. Both see opportunities in new technologies: suppliers – to further converge inputs, concentrate clients (fewer and larger farms), and cut competition while creating common cause with the huge energy industry. Processors and retailers see technological opportunities for commodity multi-sourcing, still greater concentration; and common cause with other manufacturing and retailing industries.

Not only is there convergence on the problem, there is also (superficial) consensus on the solution. US President Kennedy's much-quoted speech from the 1960s – that the means and capacity exist to solve our food problems – we need only the political will – is almost universally accepted. But, here the consensus chasms. There is no agreement on what "means" are required nor whose "capacities" need catalyzing.

Food Sovereignty

“Food sovereignty” is the term adopted by Via Campesina – the world’s small farmers’ movement – to describe everyone’s right to define and control their own food systems. Food sovereignty means that land and resources will be controlled locally rather than dictated by international trade regimes and agribusiness. It means the right to nutritious, culturally-appropriate food grown under just and ecologically sound conditions⁹. Without food sovereignty, farmers cannot respond effectively to climate chaos or agrofuels.

In 2008, food politics will orbit around:

- climate change,
- agrofuels, and
- food stocks and prices;

accompanied by strong pressure for unfettered deployment of new technologies:

- genetic engineering,
- geoengineering,
- synthetic biology, and
- nanotechnology.

Technology’s “Stakes of Emergency”

Everyone agrees that the combination of Peak Oil and Peak Soil is exacerbated by the uncertainties of climate change. Multinational corporations, multilateral institutions, and governments agree that any expansion in agrofuels could be a threat to food security. The amount of arable land sown to agrofuels is projected to rise from 2% today to 12% in a couple of decades. Companies/venture capitalists who are being asked to invest in agrofuels have openly admitted to ETC Group that this scenario is politically untenable. At Davos at the beginning of 2008, Nestle CEO Peter Brabeck-Letmathe told the *Wall Street Journal* that it takes 9000 L of freshwater to make one liter of biodiesel (or the annual flow of almost 24 Nile Rivers) to meet agrofuel demand.¹⁰ The corporate solution, of course, is to make a better market for water – speed up its privatization.

So, if we’re all on the same page and agree that agrofuels are impossible, shouldn’t we all just focus on cutting back our energy consumption?

Not according to industry. As Davos was going on, one synthetic biology company, Solazyme, teamed up with Chevron, the world’s seventh largest corporation, to develop biodiesel from synthetically altered algae. Late last year, Codon Devices announced it is using synthetic biology to build enzymes for a maize variety so that its cellulosic fiber – stalk and all – can be digested into ethanol.¹¹ All this fits with last year’s predictions that the global market for agrofuels will jump from \$22 billion in 2006 to \$150 billion in 2020.¹² In a report released at the end of January, one consulting firm estimated that venture capitalists put \$2.6 billion into so-called “clean fuel alternatives” in the first nine months of 2007 – up 46% over the total for 2006. 80% of this money was for synthetic biology.¹³ In other words, the way out of the Peak Oil/Peak Soil conundrum is to move onto synthetic biology.

What is synthetic biology? ETC Group describes it as “extreme genetic engineering.” Using a personal computer, published gene sequence information and mail-order synthetic DNA, it’s possible to construct genes or entire genomes from scratch – including designer genomes that don’t exist in the natural world. By programming human-made strands of DNA, synbio companies are promising to re-configure the genetic pathways of microbes to churn out drugs, chemicals, plastic and climate-saving fuels. Industry is betting that panic over climate chaos combined with food and oil shortages will galvanize governments and societies to gamble on this new extreme genetic engineering.¹⁴

2. Paris's *Hot Cuisine*: Who's the Chef?

The year's main event does not necessarily have anything to do with agriculture. The OECD is hosting (many think, leading) something called the Paris Declaration on Aid Effectiveness that will conduct a high-level midpoint review in Africa in September. The combination of who will be at that table (development ministers); where the table is (Africa); and, what's being served (a crisis in agriculture and its institutions), means that the September meeting could be crucial.

But, that's not all 2008 has in the cupboard. Quite coincidentally – not through grand conspiracy – almost everything that could happen internationally to food and agriculture will either take place this year – or will play out this year as a consequence of recent events. The whole menu list (climate change, agrofuels, food prices/availability and new technologies) will be cooked up in a number of major global meetings during 2008.

Chronologically...

- **Starter:** For the first time in years, agricultural biodiversity will be the theme of the Convention on Biological Diversity's SBSTTA (scientific subcommittee) meeting in Rome February 18-22 and at COP9 (CBD's Conference of the Parties) in Bonn May 19-30. Climate change (including geoeengineering), agrofuels (especially in the context of GM trees), Terminator technologies and synthetic biology will also be debated.
 - **Side-dish:** The UN Commission on Sustainable Development (CSD) will also focus on agriculture when it meets in New York May 5-16 – just before the CBD's Bonn meeting.
 - **Pasta plate:** The UN Food and Agriculture Organization (FAO) is organizing a High-Level Conference on World Food Security and the Challenges of Climate Change and Bioenergy (Rome, June 3-5). An FAO-hosted Prepcom February 15-16 in Rome will set the stage.
 - **Salad:** FAO may (or may not) convene another major meeting on Future of Food in Rome this autumn. All of the dominant food and agricultural issues would surface at this meeting.
 - **Chef's surprise:** Meanwhile, cooking in the kitchen is the Global Donor Platform on Rural Development, which is currently restructuring
- bilateral agricultural aid in light of the OECD's Paris Declaration of 2005. The Platform includes 29 bilateral government aid agencies, regional development banks, and research institutes. After three years, the Platform remains an "empty vessel" that risks being captured and used by OECD governments to unilaterally reorganize multilateral institutions.
- **Dessert:** (the only new money at the table) is being served up by the Gates/Rockefeller AGRA initiative (Alliance for a Green Revolution for Africa) which is combining with other G8, Clinton, Google and Millennium Village (Jeffrey Sachs) initiatives to introduce a new era of philanthro-capitalism that is leading governmental and intergovernmental policies on agriculture and, especially, agricultural technologies. Philanthro-capitalism could particularly influence the Global Donor Platform and the Aid Effectiveness Conference in Ghana. At the Davos World Economic Forum in January 2008, the Gates Foundation announced that it would commit \$900 million to agriculture in the global South in 2008 including an additional \$165 million to AGRA over the coming five years.
 - **Entrée:** The main course, however, is the Paris Declaration on Aid Effectiveness, the OECD-led initiative that began with the support of 100 countries in 2005, will culminate in the Third High Level Conference on Aid Effectiveness (HLF3) in Ghana September 2-4, 2008.¹⁵ The original Paris Declaration ignored social movements and other CSOs. Now governments are trying to engage civil society but are especially anxious to involve philanthro-capitalists. Given the sudden alarm over agriculture and because the venue is Africa (where Gates/Rockefeller are running AGRA) major decisions could be reached – implicitly or explicitly – on the restructuring of multilateral food and agricultural institutions and bilateral agricultural assistance. International civil society and some governments (and the Global Donor Platform) convened outside Ottawa, Canada February 3-6, 2008 to discuss this process.

3. Good (Grief) Governance!

Multilateral muddle? There is also an emerging consensus that the international institutions established to manage the politics and practice of food and agriculture are failing. Governments will have to deal with a number of new or recent institutional reviews and new program strategies this year. All the reviews point to major governance problems or full-blown institutional crises. For example...

- **Rural Finance:** IFAD (International Fund for Agricultural Development) is still reeling from the harsh critique in its 2005 *Independent External Evaluation* (IEE) which concluded that a third of its projects missed their target.¹⁶ Now, IFAD is reorganizing and rethinking its program and role. In its last tranche, IFAD's budget was \$605 million.
 - **Agricultural Finance:** The World Bank's 2007 *World Development Report*,¹⁷ which focused on agriculture, (and, especially, its internal evaluation on African agriculture¹⁸) was also harshly critical of the Bank's failure to address agricultural issues since the 1980s. Now the Bank is massively ramping up its agricultural portfolio. (It spent only \$123 million on African agriculture in 2000 but increased this to \$685 million by 2006. In 2006, the Bank committed \$2.7 billion to global work on agriculture and rural development). Further initiatives may develop during 2008.
 - **Normative/Operational Functions:** FAO's draft Independent External Evaluation (delivered in mid 2007)¹⁹ is still more critical calling for a crash campaign to restructure and reorient FAO before a crisis encounter with its governing body in Spring 2008. Tellingly, the IEE reports that FAO's own Rome-based senior staff doubt that the Secretariat or the member governments are capable of change.²⁰ FAO has an annual budget of \$370 million and a staff of 3,072.
 - **Ag Research:** The Consultative Group on International Agricultural Research (CGIAR) is currently conducting its first external review in a decade as donor governments²¹ drastically cut core financial support in favor of tied project grants and some of the 15 research centres hover near bankruptcy. The review (draft to be available in June) is bound to be critical on, at least, governance issues if not also on science.
- The final report will be available in September and debated in November 2008. The CGIAR has an annual budget of approximately \$458 million (in 2006) and a combined staff of 7,874.
- **Science and Technology:** The World Bank/FAO-supported International Assessment on Agricultural Technologies (still in draft) criticizes technological hubris. This four-year, \$10 million review process has involved seven UN agencies, the largest agri-businesses and many CSOs.²² At the beginning of 2008, Monsanto and Syngenta pulled out of the study and CGIAR has threatened to withdraw under pressure from some governments and the corporations. The final report will be debated in Johannesburg in mid-April.
 - **Food Aid:** The World Food Programme (WFP) is cutting staff and struggling to revamp its strategic plan, to be presented in mid-February and finalized (perhaps) in June.²³ The WFP process is evolving hard on the heels of a stinging critique of the UN's multilateral food and agricultural institutions leveled by Jim Ingram, the WFP's former Executive Director²⁴. In 2006, the WFP spent \$2.9 billion with a staff of 10,520. However, food aid flows in 2006 were 40% below 2000 levels.²⁵ Now, things are looking tough.
 - **Bilateral aid:** Meanwhile, the Global Donor Platform on Rural Development – after only three years – is undergoing scrutiny by civil society and external review by its 29 partners.²⁶ As many in civil society believe that bilateral agricultural assistance is of such poor quality that increased funding and efficiency would be wasteful and detrimental.
 - **Phlanthro-capitalism:** The Gates/Rockefeller AGRA initiative in Africa has drawn fire from farmers' organizations, civil society, and fellow foundations. Most see the initiative as a top-down techno-fix in the worst Microsoft tradition. AGRA's president, Kofi Annan, is convening a closed-door review of all this in Austria in mid-April. Even some governments are alarmed that the Gates Foundation's vast resources and star power are leading other development initiatives around by the nose. The Gates Foundation, itself, is going through a leadership transition. The Foundation has 800 staff, \$37 billion, and

makes annual grants of around \$3 billion (four times that of the Ford Foundation).²⁷ Despite their wealth – and compared to the big multilateral actors – the combined Gates/Rockefeller commitment to agriculture is relatively modest on an annual basis.

Aid Defectiveness: What has gone wrong? By the beginning of the 1980s, both OECD countries and global South governments lost interest in food and agriculture. To the extent that money is an accurate indicator of governments' political attention, the current conundrum facing multilateral institutions is ably captured in the World Bank's *World Development Report* released in October 2007...

“The share of agriculture in official development assistance (ODA) declined sharply over the past two decades, from a high of 18.1 percent in 1979 to 3.5 percent in 2004. It also declined in absolute terms, from a high of \$8.3 billion (2004 US\$) in 1984 to \$3.4 billion in 2004. World Bank lending to agriculture fell precipitously from about \$3.5 billion in 1995 to less than \$1 billion in 2001...”
– *World Development Report, October 19, 2007*

With sporadic exceptions, different government officials – even different departments within a member country – interact with the major multilateral actors involved in food and agriculture. The government officials attending CGIAR meetings are not those attending FAO conferences and the delegates to IFAD and the WFP are different again. Those monitoring the World Bank for their government know nothing of the food and agriculture file in the Convention on Biological Diversity (CBD) and delegates to the World Health Organization, the UN Conference on Trade and Development (UNCTAD), or the International Atomic Energy Agency know little or nothing about the links these agencies have to FAO.

FAO and the CGIAR, in particular, address agendas that require the involvement of a wide range of government departments within any country ranging from foreign affairs and foreign aid to oceans and fisheries to forestry to agriculture and health to the environment, food safety, intellectual property and international trade. The various government departments have probably never sat down together to consider the whole multilateral institution.

Without wishing to let UN secretariats (or other actors) off the hook, the common denominator among these international institutions is government. Governments are the policy-makers, programme-approvers and financiers who have allowed the multilateral system to deteriorate – not just recently – but over years and decades. There has been a massive long-term failure of governance that is now compounding the crisis in food and agriculture and making it extraordinarily difficult for our intergovernmental institutions to take on the challenge ahead.

How did this happen? Who is responsible? **Governments.**

4. 1908 - 2008 – From Farmers to Failures

One hundred years ago, in 1908, the International Institute for Agriculture convened the world's first intergovernmental meeting on food and agricultural issues in Rome. The gathering of governments was cobbled together by a Polish-born US farmer named David Luben whose political passion was to get the world's farmers fair prices for their commodities. Luben had emigrated from Poland to California where he became a successful grocer and then farmer. As a farmer, he was enormously frustrated by the international grain cartel that dominated commodity trade. At the turn of the century, Luben set out on his own to Europe to convince governments of the need to coordinate agricultural trade in order to ensure fair prices for farmers and a fair deal for consumers. By 1905 he had convinced the King of Italy to back his idea and the first intergovernmental gathering took place in 1908. In today's multilateral jargon, Luben's quest would be seen as the struggle for Farmers' Rights and debated within the framework of Food Sovereignty.

In 1945, the International Institute for Agriculture was replaced by the UN Food and Agriculture Organization and David Luben's files were given to the new body in Rome. For a brief time, FAO's first Director-General, Sir John Boyd-Orr, a farmer and nutritionist, took up Luben's cause and tried to make FAO the global arbiter for farmers, food production, and the Right to Food. However, the powerful grain-exporting countries and the still more powerful international corporate grain cartel quickly squashed his attempts and Boyd-Orr retreated – accepting the Nobel Peace Prize on his way out the door. One hundred years later, Luben's name is over the entrance to FAO's library and his dream of a just trading system is safely interred in FAO's archives.

Despite its failure to gain sovereignty over the food system, FAO remained the unchallenged (and well-respected) institutional leader on all food and agricultural issues through the '50s and '60s. Not only did it provide statistical information on food production, distribution, and pricing but it also provided the normative forum for negotiating treaties and establishing standards

and regulations. In its early decades, FAO also had a clear mandate over food security (including food aid), science and technology (related to agriculture and nutrition), and for technical and development assistance throughout the global South. FAO was clearly seen as both normative and operational.

By the end of the '60s, however, this intergovernmental framework became problematic. The retreat of colonialism and the rise of the New International Economic Order, in the early '70s, combined with an oil crisis and a food crisis to politicize intergovernmental institutions. Without plot or forethought, OECD states clumsily set about dismantling the world's "Ministry of Agriculture," carving it into bite-size pieces that would insulate their most-prized bits from the slings and arrows of North/South conflict. (This deconstruction was made easier by the absence of the (then) Soviet Union from FAO's halls. In the midst of the Cold War, much of the eastern bloc had opted not to join FAO.)

During the 1970s and '80s, the OECD took away the highly-political management of food aid, agricultural and rural finance, and responsibility for the science and technology necessary to advance industrial agriculture.

Excised Science: In 1971, armed with their own Nobel Peace Prize for the Green Revolution, the Rockefeller and Ford Foundations deliberately snubbed FAO's science mandate and went to Robert McNamara, the new president of the World Bank (and a former CEO at Ford Motors) to create the Consultative Group on International Agricultural Research (CGIAR) which they intended to expand from two to, ultimately, 18 (now cut back to 15) centers. In creating CGIAR, OECD states effectively excised agricultural research from the multilateral system. Although there is a small Secretariat at the World Bank in Washington – and FAO has a ceremonial role – the International Agricultural Research Centers operate outside the UN System and pursue their scientific agenda without the real and necessary political scrutiny of either government or civil society. Today, CGIAR – though struggling – has

a significantly bigger budget and twice the staff of FAO.

Fragmented Finance: Then, in 1974, in the midst of a world food and oil crisis, OECD and OPEC governments cooked up a deal that ultimately undercut FAO's role by establishing the International Fund for Agricultural Development (IFAD) in Rome. IFAD became operational in 1977 and now has a budget matching FAO's. IFAD, like the World Bank, has a weighted voting system that gives far more influence to donors than the conventional one-nation, one-vote UN model. Within a few years after the formation of IFAD, however, international loans for agriculture and rural development took a long deep dive from which it is only now recovering.

Policy Proliferation: Also in 1974, OECD governments championed an effort to jerryrig a World Food Council which was intended to capture some or all of FAO's policy functions. The initiative was a poorly thought-out response to the political infighting around the 1974 World Food Conference and, from the start, was doomed to failure (the inelegant politics of the major grain exporting countries insured that the WFC would never bear fruit and it noiselessly rotted away in the early '90s). In the process, however, the WFC accentuated the North/South divide and contributed to the erosion of FAO's normative role.

Food Raid: In response to a succession of famines and other food crises, FAO and the UN General Assembly had established the World Food Programme in 1961. The WFP was also a response to the US government's new and highly political food aid/dumping program (President Kennedy's PL 480 legislation). Although its structure was somewhat convoluted, the WFP was housed in – and controlled by – FAO. At the beginning of the 1980s – and as part of its dismantling exercise – OECD states worked with the WFP Executive Director to wrest its independence from FAO. The inter-agency battle lasted more than a decade and included some of the most unseemly and disgraceful episodes in the history of the UN System. Without question, the worst abuses in the battle were committed by

FAO's Director-General, Eduard Saouma, but the entire protracted dispute – limply abetted by OECD states – would not have been necessary if governments accepted their responsibility to govern. Today, the WFP is the world's largest humanitarian agency and biggest multilateral food supplier. It is also in serious financial trouble.

Left-overs: As governments added on new multilateral institutions, financial and political support for FAO declined accordingly. Since Jacques Diouf, the current Director-General, was first elected in the mid-1990s, the organization has lost half its staff and, according to the IEE, is *en route* to losing 31% of its budget.²⁸ With this decline, the agency's ability to deliver results has declined and its expertise, in many fields, has become suspect. During this, the secretariat hasn't done itself any favours. FAO's leadership has been autocratic, byzantine, and breathtakingly lackluster. The agency has few friends South or North these days.

But, the problem is not only FAO's. As the current round of external evaluations makes clear, the hastily-organized institutions of the 1970s are all in trouble. None of them are performing at the level of competence or resources that they require. Their common denominator continues to be governments. At every opportunity, OECD states grumble over high transaction costs, the duplication of governing bodies, the waste of resources, and the tensions between secretariats and governments. In this, governments of the South are at least as bad as OECD governments. There is no question that national self-interest and even individual career opportunities often dictate government participation (South and North) in the muddled multilateral system. Even so, OECD states bear the burden of having deliberately created this mess. When these same governments come together at the Paris Declaration's Aid Effectiveness Conference in Ghana in September, OECD governments should take a little time to explain how they have orchestrated the annual mismanagement/under-management of about \$7 billion in funding for food and agriculture; what lessons they've learned from their mistakes; and how they propose to work with the rest of the international community to solve the problem.²⁹

Biodiplomacy - Down and Dirty

Any organization of almost 200 sovereign states that aspires to the principles of Mother Theresa with the politics of Machiavelli is bound to have its share of mischief and mayhem. The UN System's food and agricultural institutions are no exception. During 2007, for example, Paul Wolfowitz, the President of the World Bank, was turfed out after a protracted standoff when he gave his "significant other" a much-too-significant pay hike. Also last year, the Director-General of the Geneva-based World Intellectual Property Organization (WIPO), Kamil Eltayeb Idris – someone to whom dictatorship came naturally – was forced to announce his early retirement after being caught fudging his personnel file. In an international organization – when governments squabble or just plain fail to pay attention – political power flows to the secretariat who are usually quite adept at playing one bloc of feuding countries off another.

On occasion, however, the Rome-based food and agricultural agencies have been able to turn autocracy and duplicity into high art. In 2007, Jim Ingram, an Aussie who ran the World Food Programme for 10 years until 1992, published his memoirs detailing his battles with FAO's legendary DG, Eduard Saouma. According to Ingram, even Enron could have learned from FAO's ability to play accounting games. Senior bureaucrats and subservient diplomats were dispatched to Washington or London to block meetings or to massage egos at the whim of their Director. Legal departments – and their legal opinions – dared do nothing other than bury the truth at the behest of their boss. Although all sides saw themselves as serving the best interests of the world's hungry, it's hard to pretend that misused money, bad governance, and smothered principles didn't cause suffering.

Some years ago, an old hand at FAO, Charles Weitz, published an almost lurid account of the politics of electing new Director-Generals at FAO³⁰. Usually posts at this level are negotiated between presidents or senior ministers in the South and, at least, cabinet-rank officials in the North. Weitz tells tales of diplomats who conveniently went to the WC at ballot time so as not to offend an incumbent – and other cases where the on-site diplomat (under threat or bribe) ignored his instructions – with the anonymity of a secret ballot. On one memorable occasion, a DG rearranged all the hotel bookings at the last minute to prevent lobbying delegations from finding one another. It is standard practice for incumbent DGs to hold off on filling attractive vacancies until election time when posts can be bartered for ballots. Most of the bribing is for national development projects, but agency bosses have been known to offer everything from "fact-finding" holiday junkets to extravagant gifts and envelopes stuffed with euros.

In all this, OECD states are equally at fault. Highly-respected Scandinavian governments, for example, have been known to horse trade between UN agencies to capture a prestigious post. Often too, rich countries use the UN to laterally "promote" useless bureaucrats out of the national civil service into the international service. And, more than one influential official from a northern clime has decided to top off his career with retirement to a cozy villa in Tuscany – at the expense of a more junior officer who really wanted to do something. Some posts are almost hereditary. It is well known, internally, that the Germans or the French or the US have bought and paid for certain plum positions. Unfortunately, UN rules oblige the organization to waste substantial sums advertising the posts in expensive international publications even if the outcome is a "slam dunk" for one donor.

Sometimes the scandals are hilariously petty. Years ago, when one of the Rome-based institutes got a new telephone system, repairmen had to go through the building removing already-purchased features like caller-identification and call-forwarding from the phones of junior staff just to assert the perks of patriarchy.

5. Food *à la Cartel* – or a New Roman Forum?

The real danger in 2008 is that the governments – who have so obviously failed to govern our global food system – will simply admit their failure and turn the job over to others. For example, the Global Donor Platform on Rural Development – a hodgepodge of bilateral aid agencies and quasi-governmental institutes – could, itself, be reorganized to join with the new philanthro-capitalists and agribusiness to rejig the institutional jumble. Or confounded by the short attention spans of their political masters, bureaucrats will (one more time) reach for the ‘silver bullet’ of new technologies in the hope that synthetic biology or geengineering will let them pole-vault over the problem to a worry-free solution. Certainly, the agribusiness suppliers and the food processors and retailers are eager to get involved. The philanthro-capitalists (Gates, Google et al.) don’t so much give money as they give orders. They think they know the answer already and they just need to manage it. **Left to their own devices, OECD states, Gates, Monsanto and Wal-Mart could become food’s new sovereigns – *à la cartel* – turning food shortages, climate chaos, and food’s failed estates into a new food chain.** There is very little reason to believe that – mulling about on their own – governments will be able to improve international governance. Indeed, governments have lost the moral authority to attempt to reach solutions unilaterally.

2008 has a brighter side. Faced with the failures of agrarian reform, a trade impasse, and intransigent hunger on one hand and globesity, an allergy epidemic and other diseases of overconsumption on the other hand, significant sectors of society are rejecting industrial/GE farming, demanding organic foods and searching for a new food system under the banner of Food Sovereignty. The most important meeting of 2008 could very well be Via Campesina’s (the global federation of farmers’ organizations representing more than 100 million small farmers) global gathering in Mozambique in October 2008. Civil society around the world has never been more coherent or more concerned (at least since the mid-1970s) about food and agricultural issues.

Turning Tables: On the issue front, the two meetings of the Biodiversity Convention along with the annual meeting of the Commission on Sustainable Development and the FAO Conference in June offer excellent opportunities for civil society to challenge the false consensus around climate change, agrofuels, etc. Social movements and others need to work together closely to make sure this happens.

Toward a New Roman Forum: In the run-up to the 1996 World Food Summit, civil society organizations belatedly proposed the formation of a New Roman Forum that would bring together the key multilateral institutions with governments and civil society. The idea was not to push everything back under the FAO umbrella – nor to create a super-agency – but to develop a biennial policy forum that would force the major actors to be publicly accountable. Although it was too late in the political process, some governments (including Canada) were sympathetic to the proposal.

A dozen years later, the proposal for a New Roman Forum still has potential – but could benefit from a serious re-think. Some form of multi-institutional process might be useful. The following steps are suggested...

- Civil society organizations could work together to present two “case studies” for debate at the OECD Aid Effectiveness Conference this September. One case study should focus on the failure of governments in managing multilateral food and agricultural institutions. The second study should address the rise of philanthro-capitalism with a particular look at the Alliance for a Green Revolution for Africa. International civil society organizations met with some governments (and, simultaneously with the Global Donor Platform) in Canada, outside of Ottawa, February 3-6, 2008. This meeting should launch the case studies that could set the stage for a New Roman Forum.
- The UN Secretary-General should immediately convene a meeting of the heads of the major food and agricultural institutions along with their executive committees or

councils in order to establish a process for renewal. This meeting should establish a panel of experts to conduct a meta-evaluation of the institutions in order to (1) assess and compare the various external reviews to discover common issues and solutions; (2) to evaluate the general state of governance across the major players; and, (3) to outline at least three different scenarios for improving the international system. Financial and political support for the meta-evaluation should come in the form of resolutions from the appropriate governing body of each of the major agricultural organizations (CGIAR, FAO, IFAD, WFP, and World Bank) as early in 2008 as possible with each organization financing the evaluation panel in proportion to the organization's funding. The report of the panel should be completed by the last quarter of 2008.

- The panel should submit its report to each of the institutions, governments, and observer organizations associated with all of the institutions under review. A special effort must be made to include, at every level, organizations of farmers, fishers, pastoralists, foresters and impoverished consumers.
- Included in the report should be a recommendation for an inclusive participatory process that would allow all of the above governments and organizations to move toward a restructured international system.
- This process should, at a minimum, provide the necessary financial resources to convene regional conferences of all concerned parties in order to discuss the findings and to advance regional and global recommendations.
- To this end, the financial and organizational resources available for FAO's biennial regional conferences should be managed through a mechanism recommended by the panel in order to facilitate multi-institutional discussions among all stakeholders during the first half of 2009. (This will require

governments to adjust FAO's biennial budget to allow for the regional conferences one year early.)

- In November 2009 – following the regional meetings – an international meeting of all of the stakeholders should be convened in Rome to discuss global conclusions. In honor of the farmer who began international cooperation in food and agriculture, the meeting should be known as the David Luben Round.
- CGIAR, FAO, IFAD and the WFP should synchronize meetings in Rome of their governing bodies immediately after the Luben Round to facilitate rapid implementation of the meeting's decisions.

Civil society organizations have a major role to play in forcing governments and multilateral institutions to address the real international food and agricultural agenda and to restructure the system. Only CSOs (and especially social movements) have the ability to keep the international spotlight focused on real change over this difficult political and technical negotiation.

Conclusion: There is a new sense of urgency (even alarm) over the current and future food situation as a false “consensus” forms around climate change, agrofuels, food prices/availability and new technologies. Simultaneously, divergent timetables have conspired to place food and agriculture on the agenda of a number of international conferences and institutions this year. And, a sequence of rare and critical external reviews is challenging governments and institutions to rethink the multilateral food and agricultural system. Dangerously, all this could make it easier for OECD states to abandon multilateralism and strengthen bilateralism. There has never been a greater opportunity for major structural and program change. There has never been greater pressure on governments and institutions to accept such changes. 2008 is truly the year of living dangerously.



Who works at the UN?

The visiting parliamentarian to the UN agency asks, “So, how many people work here?” Her guide smartly answers, “About 20%.” The same joke is told with remarkably similar percentages in virtually every multilateral agency. It is usually far from the truth.

The recent International External Evaluations included, all of the recent UN staff surveys and reviews show an overwhelming sense of dedication, pride, and purpose. Those of us in civil society who find ourselves occasionally crowding the corridors or assembly halls of multilateral agencies are sometimes awed by the salaries, frustrated by the slowness, and infuriated by the states but we’re also usually impressed by the commitment of the staff. Which doesn’t mean that the “20%” figure isn’t sometimes true. However, it usually means that staff are functioning at 20% efficiency because of the bad governance of governments and the risk-aversion of scared officials. Often, extraordinarily competent people – many who have given up much to haul themselves to a Rome-based agency or field posting – are batting well below their weight because they lack the resources and/or the mandate to get the job done. This represents a tremendous loss. For those of us looking on from the outside, we most wish to give the secretariats the opportunity to take risks with the right resources. In this report, ETC Group is criticizing the system – not the staff.

ENDNOTES:

¹ Wiesmann, D., A.K. Sost, I. Schöninger, H. Dalzell, L. Kiess, T. Arnold, and S. Collins. *The Challenge of Hunger 2007*. Bonn, Washington, D.C., and Dublin: Deutsche Welthungerhilfe, International, Food Policy Research Institute, and Concern.

² Wall Street Journal, “Food Prices, World Hunger Up as Ethanol Use Surges – Study,” January 29, 2008, quoting Lester R. Brown, President, Earth Policy Institute.

³ von Braun, Joachim, “The World Food Situation: New Driving Forces And Required Actions,” IFPRI’s Biannual Overview of the World Food Situation presented to the CGIAR Annual General Meeting, Beijing, December 4, 2007. IFPRI estimates that world agricultural GDP will drop 16% with the South's output dropping 20% and the North's output dropping only 6%.

⁴ In 2007, the amount of arable land stolen to Agrofuels was estimated to be 2%. One synthetic biology consulting firm estimated early in 2007 that the global market for agrofuels would jump from \$22 billion in 2006 to \$150 billion by 2015.

⁵ At the end of 2007, the world’s wheat stocks hit a quarter-century low at 12 weeks – down from 18 weeks for most of this decade – and maize stocks dipped from 11 to 8 weeks.

⁶ Cereal and oilseed prices are at record highs with wheat futures at \$10 a bushel at the end of 2007 – the agricultural equivalent to \$100/barrel oil.

⁷ Wall Street Journal, “Food Prices, World Hunger Up as Ethanol Use Surges – Study,” January 29, 2008, quoting Lester R. Brown, President, Earth Policy Institute.

⁸ Food expenditures increased from \$5.5 trillion to \$6.4 trillion between 2004 and 2006 a rise of almost \$1 trillion or 16%. According to Joachim von Braun and his presentation to the CGIAR annual meeting in Beijing December 4, 2007.

⁹ <http://www.nyeleni.org>

¹⁰ Dow Jones Newswires, “UN Chief Urges World To Give Looming Water Crisis Priority,” January 24, 2008.

¹¹ <http://www.hcp.com/news/newsdetails.php/id/55453>

¹² Newcomb, James, Robert Carlson, Steven Aldrich, *Genome Synthesis and Design Futures: Implications for the U.S. Economy*, Bio Economic Research Associates, 2007.

¹³ Bio-era, “The Global Bio economy in 2008: A Year of Living Dangerously?” Bio-era Perspective, January 2008.

¹⁴ ETC Group, “Extreme Genetic engineering: An Introduction to Synthetic Biology,” January 2007.

¹⁵ http://www.oecd.org/document/47/0,3343,en_2649_3236398_39448751_1_1_1_1,00.html and <http://www.betteraid.org>.

¹⁶ IFAD Office of Evaluation, “An Independent External Evaluation of the International Fund for Agricultural Development,” September 2005.

¹⁷ The World Bank, “World Bank Development Report 2008: Agriculture for Development,” October 19, 2007

¹⁸ IEG (Independent Evaluation Group), *World Bank Assistance to Agriculture in Sub-Saharan Africa*, October 2007.

¹⁹ Food and Agricultural Organization of the United Nations, “FAO: The Challenge of Renewal – Report of the Independent External Evaluation of the Food and Agricultural Organization of the United Nations (FAO), September 2007.

²⁰ Note these two comments from FAO’s draft IEE: “836. ... At the Director and Professional staff levels, the difference is very sharp - 80 percent of headquarters respondents expressed pessimism about the culture of FAO and its ability to change, in comparison with only 30 percent of respondents in the field.” and, “838. ... A third distinction relates to staff at the most senior levels of the Organization reporting to the Director-General, who also have the greatest contact with the Governing Bodies. As a group, respondents in this category scored highest (along with the Forestry and Sustainable Development Departments) in support for major (and urgent) organizational culture change. At the same time, however, in answer to the question of whether they thought that genuine organizational change could be achieved, they expressed the greatest

skepticism.” from FAO Independent External Evaluation (draft), Chapter 8: Administration, Human Resources and Finance, June 2007.

²¹ Consultative Group on International Agricultural Research (CGIAR), “Terms of Reference: External Review of the CGIAR”, October 4, 2007

²² IAASTD, “International Assessment of Agricultural Science and Technology for Development (IAASTD) Synthesis Report”, Draft report, November 25, 2007.

²³ Clark, Stuart, “Ensuring Global Food Security – a proposed dialogue on current multi-lateral food and agriculture issues,” Draft for comment, February 11, 2008.

²⁴ James Ingram, *Bread And Stones: Leadership and the Struggle to Reform the United Nations World Food Programme* (Charleston: BookSurge, LLC, 2007)

²⁵ von Braun, Joachim, “The World Food Situation: New Driving Forces And Required Actions,” IFPRI’s Biannual Overview of the World Food Situation presented to the CGIAR Annual General Meeting, Beijing, December 4, 2007

²⁶ Global Donor Platform for Rural Development, “Platform News, No. 2,” November 2007, page 4.

²⁷ Heim, Kristi “Agriculture Aid a Hard Sell,” *The Seattle Times*, January 20, 2008

²⁸ “29. FAO has not managed the transition well. A decline that began in the 1980s is now rapidly accelerating and the Organization has entered a phase in which there is a crisis about its future. Since 1994-95, the regular budget has declined in real terms by 20 percent and the total resources available to the Organization, including extra-budgetary funds, by 18 percent. If current trends continue, the Regular Budget will fall by an additional 11 percent over the next three biennia. Assuming also no change in the pattern of extra-ordinary contributions from the past three biennia, FAO’s total biennial financial resources, excluding for emergencies, will have fallen to approximately 716 million in 1994-95 US\$ by 2012, a reduction of about US\$ 90 million from 2006-07. At the same time, if the present trends continue by 2012: i) FAO will still be trying to deliver most of its current goods and services; ii) all or almost all of its programmes will have continued to shrink; iii) the number of its field offices will have further increased but without adequate financial resources for them to function; and iv) its headquarters-based core technical competencies will have fallen well below critical mass in many key areas.” from FAO Independent External Evaluation (draft), Executive Summary, June 2007.

²⁹ Candid recognition of the role of OECD states in fragmenting the multilateral system is found in the following paragraph from the draft FAO IEE: “776. WFP and FAO did share administrative resources at one time, but a desire by the WFP secretariat and its main donors to ensure managerial autonomy during the 1980s led to the establishment of largely separate structures. Similarly, IFAD elected during the preparatory stage leading to its establishment to set up a separate administration. In both cases the decisions on separate administrative services and resources were reached at the insistence of the main OECD donors, many of whom today are vocal in criticizing all three organizations for the high costs that this entails. The IEE agrees with this criticism. The triplication in Rome, and in some field locations, of all supporting functions is clearly inefficient. Most of these are basically generic in nature and, within limits, do not need to be differentiated because of the organizations’ differing roles.” from FAO Independent External Evaluation (draft), Chapter 5: FAO in the Multilateral System - Partnerships, June 2007.

³⁰ Charles H. Weitz, *Who Speaks for the Hungry? How FAO elects its Leader* (Uppsala: Dag Hammarskjöld Foundation, 1997).

ETC Group is an international civil society organization based in Canada. We are dedicated to the conservation and sustainable advancement of cultural and ecological diversity and human rights. ETC Group supports socially responsible development of technologies useful to the poor and marginalized and we address international governance issues affecting the international community. We also monitor the ownership and control of technologies and the consolidation of corporate power.

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