

AID Conference 2004

Minutes for Session Named Globalization, World bank and Food Security & Peace

Date: 5/31/04

Time From: 9:45 AM

To:

Minutes Taken By: Chandrika Ramanujam

Number of attendees: 50

Audio/Visual Component?

PowerPoint

Speaker/Panelist Names:

1. Chakri
2. Shrayas Jatkar
3. Chennaiah
4. Bob Jensen
5. Gautam

What they are speaking about:

Main Presentation:

Globalization is the Influence of an external agency such as the World Bank or IMF on a local community with a lack of any monitoring mechanisms from the state.

These guys are able to influence or modify the social eco framework advantageous to them.

It is definitely not ubiquitousness of new communication media such as the internet or the cell phone. They have global presence but it is not globalization.

- Globalization results in the common person losing their right to determine their destiny, i.e. loss of self determination.
- Globalization creates inequality and increases the gap between rich and poor.

- Globalization results in the erosion of social justice – there is no forum for a common person to voice their thoughts.
- Globalization results in the loss of control of common resources. Commodification of soil, water and air is becoming common – There is no price that can be associated with such resources, especially for communities which have a tradition of using land as a common resource. The same is true for water resources – for example the water table below commonly owned land.

AID has done a good thing to empower people to ascertain their rights. In spite of all of that, the external environment such as policies, climate and the rules which come from the Indian bureaucracy with agreements from WTO, WB and IMF. Where the structural adjustment programs of the IMF are loaded with preconditions for loans.

(Comment by Sarang : There are two aspects of globalization – one as stated in this forum, i.e the second is the increased movement of people, technologies, goods, information. Often people get confused between the two. AID must make it clear that it is not opposed to the latter. We must take a clear position on this so that people understand what kind of globalization we are talking about.

Comment by Jogendra: The sort of globalization underway today is not in favor of free movement of people and not even free movement of goods.)

Globalization is more synonymous with the ideology of neoliberalism where the bureaucrats in DC decide the policies remote from where these are impacted. This is coming from the people who have the power to say what this means and how this must be achieved. This is an extension of globalization. The people supporting globalization are not the adivasis from the Narmada valley or the slum dwellers in Bombay, but those urban elite that are benefiting from these policies.

Some of the backers of the globalization are institutions which run these programs. There is a gentleman's agreement that the World Bank is to be always headed by an American. The structure of the World Bank is different from UN where each country has a vote. In the World Bank, each dollar counts as a vote. The US contribution of 17% makes it a powerful player, in addition it has a veto power and could override loans to the neediest.

World Bank and IMF were created as a result of the Bretton Woods agreement. The World Bank would provide loans for large infrastructure and natural resources. It was never intended to fund programs for the poor.

Q: What is the alternative? What is the hypocrisy of us talking about when we are the beneficiaries?

A: It needs 40,000 liters of water to make car. We should look critically at how our actions are aligned with our principles. There is a big contradiction between using water for luxury and the water in the issues.

Some examples in Andhra Pradesh presented by Mr. Chenniah:

AP restructuring projects

- Farmers power tariff increased thus burdening the farmers further
- Industries are enjoying subsidized power
- Free electricity for the people BP has been dropped due to power privatization

AP poverty initiatives project – 33320

- Politically employed party cadres as social workers to look the resources in support of the corrupted bureaucracy.

- Self help groups disempowering women as the idea is to recruit into the party

AP State highway project – 41920

- State highways – 500 thousand people displaced and no rehab is offered as they are claimed to be settled on the public places
- Corruption

AP Irrigation Project – 41660

- Displaced indigenous people of three dams in minor irrigation projects
- In the hands of the politician to earn the money with low quality works

AP Economic restructuring program – 43600

- Millions dumped in Education, health, nutrition and public sector reforms go into the hands of the middle man
- Education is privatized
- Coops and public sectors (run in profit) dismantled and privatized

Forest – 3,55,000 ha – 25730

- Civil society orgs are being engaged in the form of corrupt NGOs, smugglers and political mafias.
- 75000 ha of cultivated lands of adivasis have been displaced in the name of reforestation

All of this is resulting in increased costs for the regular farmer but not increased revenue or increased wages.

There are alternatives to the forced purchases of GM cropseed. In Honduras, there are communities which exchange seeds to preserve their indigenous seeds.

Middlemen benefit by pitting farmers against farmers.

WTO guidelines require the dismantling of FCI and ration shops.