

## ***The WTO and the Politics of GMO***

***By F. William Engdahl, author of 'A Century of War: Anglo-American Oil Politics and the New World Order' (Mit der Oelwaffe zur Weltmacht, edition Steinherz, Wiesbaden) and an independent publicist who has written extensively on GATT and EU agriculture issues since 1984.***

In May of 2003, before the bombing in Iraq had subsided, George W. Bush surprised the world by suddenly turning his attack to the European Union and its eight-year ban on the use of Gene-Manipulated Organisms or seeds (GMO) in its agriculture. After cynically accusing the EU of contributing to hunger in Africa, by preventing the worldwide acceptance of American-dominated GMO crops, the American President threatened to take the EU to the World Trade Organization for committing alleged 'unfair trade practices.' Within one year the resistance in the EU began to crumble as Brussels once again bowed to the enormous power of the global agri-business cartel.

The role of the WTO in promoting the private interests of a global agri-business cartel is central to understand how the expressed will of the majority of countries in Europe and much of the rest of the world has been trampled upon for the gain of private GMO giant companies such as Monsanto, DuPont, Dow or Syngenta.

What is the WTO and whose interests is it organized to serve?

### ***GATT Uruguay Round and the WTO***

A little brief history of the origins of the WTO is in order first, before looking at the crucial question who determines WTO policy decisions. The negotiations of world trade since the establishment of the Bretton Woods postwar monetary system at the end of World War II, had been made through a General Agreement on Tariffs and Trade

(GATT), a series of trade rounds on specific issues between specific member countries. Beginning in 1980, Washington began pushing to introduce sweeping new areas of trade into a new GATT round, including “trade in Intellectual Property”, or TRIPS. The reason was simple: The US would gain handsomely by being able to control TRIPS via an international body. Washington used the 1982 Latin American debt crisis and the urgent need of Brazil and other debtor countries for US dollar bailouts to demand their agreement to negotiate TRIPS in a new trade round. In September 1986, the Uruguay Round of GATT was launched in Punta del Este Uruguay.

In late 1994 the US Congress voted to join the permanent trade body established by the GATT Uruguay Round, the WTO. There was almost no debate. It was clear in Washington who would dominate the new body. Unlike GATT which had no enforcement power and was merely a net of trade treaties between countries, the WTO would be given tough sanction and enforcement powers. More important, how it reached decisions was to remain secret, with no democratic oversight. The most vital issues of economic life on the planet were to be decided behind closed doors in Geneva WTO headquarters or in Washington and Brussels. (1)

Two years earlier at the UN Convention on Biological Diversity (CBD) in Rio, 175 UN governments signed a convention agreeing to develop an agreement on the safe handling and treatment of GMOs, a major vote of the world community to examine the health and economic impacts of GMO agriculture before it could be allowed in a country. The US Government of President George Bush Sr., aggressively opposed the CBD, arguing that a Biosafety Protocol was unnecessary. Under the CBD agreement, a country could prohibit GMO imports; require strict separation of GMO from ordinary grains and make the companies producing GMO’s legally liable for future proven damage.

The Biotech GMO industry, led by Monsanto, DuPont and Dow of the US, sabotaged this agreement, even though the US was not ‘officially’ present, as it had refused to sign the CBD Agreement. A group of six countries controlling the world Biotech GMO market—Canada, Argentina, Uruguay, Australia Chile and USA-- forced a clause into the CBD

text which would subordinate the Biosafety Protocol to the WTO. They argued that limiting trade based on 'unproven' biosafety concerns should be considered a 'barrier to trade' under WTO rules! In the end the US destroyed the Protocol by refusing to include soya and corn, 99% of all GMO products, making the Protocol worthless.

The WTO served as the weapon for the powerful coalition of Washington and the powerful private GMO giants, led by Monsanto. Earlier in 1992, Bush had taken the desire of Monsanto and the emerging US GM giant companies and ruled that GM organisms were 'substantially equivalent' to ordinary seeds for soya or corn and such. As 'substantially equivalent,' GM seeds required no special testing or health controls before being put on the market. This was crucial to the future of Monsanto and the GMO lobby.

The most powerful nation in the GATT defined GM seeds as harmless and unregulated as to health and safety issues. Further, it made sure this principle was carried over into the new WTO in the form of the WTO Sanitary and Phytosanitary Agreement (SPS), which stated, 'Food standards and measures aimed at protecting people from pests or animals can potentially be used as a deliberate barrier to trade.' Other WTO rules in the Agreement to Technical Barriers to Trade (TBT) forbid member countries using domestic standards or testing, food safety laws, product standards, calling them an 'unfair barrier to trade.'

The impact of these two US-mandated WTO rulings meant that despite the admitted fact that the US has not bothered to independently research the safety of GM products, Washington can threaten that any government restricting import of GM plants on grounds they pose threats to either human or plant life. Such a government is in illegal violation of WTO free trade rules! Even more alarming, under the TBT, the US argues that no labeling of GM plants is required, as the plants have not been 'substantially transformed' from normal or non-GM soya, corn or other plants. This conveniently ignores the fact that Washington simultaneously insists that GMOs, due to the genetic engineering process, are sufficiently transformed to be patented as 'original'. No one can accuse Washington or the giant GMO agro-industry lobby of being open and consistent. (2).

### *A very 'bad TRIP'*

The heart of the WTO machinery which is forcing GMO plants on an unwilling world is the so-called TRIPS or Trade Related Intellectual Property Rights, and the WTO Agreement on Agriculture (AoA), which under the sheep's wolle of 'free trade,' hides the wolf of private agri-business GMO monopoly power. Under AoA rules, since 1994 most poorer developing countries have been forced to eliminate quotas and slash protective tariffs, at the same time the Bush Administration voted to increase subsidies to US agribusiness farming by \$80 billions.

The net effect has been to allow the powerful monopoly of five grain trading giants—Cargill, ADM, Bunge, Andre (formerly) and Louis Dreyfus—to dramatically increase the dumping of food commodities globally, ruining millions of family farmers worldwide in the process, while maximizing their private corporate profits. Once China fully implements WTO rules in the next several years, it is estimated that 200 million Chinese farmers will be ruined, feeding the human labor pool for even cheaper wages in the cities of China to compete with European or US workers.

The effect of the dumping by the huge grain cartel companies under WTO rules has been indebtedness and bankruptcy foreclosure for millions of farmers. Since WTO came from 1995 to 2002 US net farm income fell by 16%. USDA government subsidies go overwhelming to factory farming and agribusiness cartel interests such as Cargill, ADM and the like, not family farmers.

The AoA of WTO ignores the reality of agriculture markets which are qualitatively different than, say, the market for cars or CD's. Agriculture and national food safety and security are at the heart of a nation's sovereignty, and its obligation to its own citizens to support the basics of life. Agriculture is unique in this respect with the possible addition of water rights.

The AoA, which was written by the US-dominated giant grain trading interests and the agribusiness allies such as Cargill, ADM, Monsanto and DuPont, serves only the agenda of these global supranational private companies, whose sole aim is to maximize stock gains and profits, regardless of human consequences. Their focus is the domination of the \$1 trillion global agriculture trade. Notably, the actual author of the AoA of WTO was Daniel Amstutz, a former Vice President of Cargill Grain, who was at the time in the Washington US Trade Representative's Office, before going back to the grain trade.(3).

The TRIPS agreement of WTO is at the heart of the GMO takeover of world food production. Under TRIPS the WTO demands that all member countries give 'intellectual property protection' via patent rights to plant varieties, something entirely outside the domain of normal patent rights. Even though the Indian government refused to ratify the GATT TRIPS clause at Uruguay, a US challenge in the WTO later forced India to pass TRIPS legislation that gives patent protection to firms like Monsanto and Syngenta.

A private patent monopoly on natural plants or life is absurd. Yet the WTO, on pressure from Monsanto, Washington and the GMO agribusiness cartel, has become the policeman to ram GMO down the throats of the world, using TRIPS to demand countries open their borders to untested GMO plants. A patent blocks any person except the patent holder from even using the patented product, in this case GMO seeds from Monsanto, Syngenta and others who control the GMO seed market worldwide. This is the heart of the Monsanto GMO conspiracy to force unwanted and unproven seeds on the world.

By January 2000 69 developing countries in WTO had agreed to implement TRIPS GMO patent laws. The 30 least developed WTO members will have until 2006 to do so. Monsanto and the agribusiness monopoly companies argue that WTO TRIPS are necessary for them to be 'assured a return on investment' in GMO R&D. There is no mention of the huge damage this does to local farm return on investment. WTO is the instrument of the powerful global corporate agribusiness interests when it comes to GMO.

### ***Who controls WTO?***

Almost never does someone ask ‘who really controls the WTO?’ The question is of utmost importance for the future of global food security.

The essential control of WTO decisions, decisions which have the full power of international law and can force governments to repeal local laws for health, safety and such if WTO claims it prevents the free trade of GMO products, that power is held by private interests, by a global US-centered agribusiness cartel.

On paper, WTO rules are made by a consensus of all 134 member countries. In reality, four countries, led by the United States decide all important agriculture and other trade issues. As in the International Monetary Fund and World Bank, Washington exercises decisive control behind the scenes. And it does so in the interest of the private agribusiness cartel.

The four WTO controlling countries, known as the QUAD countries, are USA, Canada, Japan and the EU. In the QUAD, in turn, the giant agri-business multinationals exercise controlling influence, most clearly in Washington.

Paradoxically, the WTO is a Frankenstein monster designed to impose the wishes of giant private companies over the legitimate democratic will of entire nations and duly-elected governments. WTO has one mission: enforce rules of a ‘free trade,’ an agenda which only suits the needs of agribusiness giants. In the 1840’s the world’s leading proponent of ‘free trade’ was the British Empire. Why? For the simple reason that British finance and British companies were dominant and all others would be forced to open to the British companies. WTO takes this process to a higher level of abstraction. The effect is devastating for the economies and survival of national industry and agriculture.

Under the secretive WTO rules, countries can challenge another's laws for restricting their trade. The case is then heard by a tribunal or court of three trade bureaucrats. They are usually influential corporate lawyers. The lawyers have no conflict of interest rules binding them, such that a Monsanto lawyer can rule on a case of material interest to Monsanto. Incredibly, the names of the judges are kept secret!

Further, there is no rule that the judges of WTO respect any national laws of any country. The three judges meet in secret without revealing the time or location. All court documents are confidential and cannot be published. It is a modern version of the Spanish Inquisition with far more power.

The EU banned the import of US beef treated with growth and other hormones, and the US lodged a formal WTO complaint. There was a long report from independent scientists showing that the hormones added to US beef were 'cancer-causing'. The WTO three judge panel ruled that the EU did not present a 'valid' scientific case to refuse import, and the EU was forced to pay \$150 million annually for lost US profits. (4).

The powerful private interests who control WTO agriculture policy prefer to remain in the background as little-publicized NGO's. One of the most influential in creating the WTO in the first place was an organization called the IPC or the International Food and Agricultural Trade Policy Council or International Policy Council, for short.

The IPC was created in 1987 explicitly to drive home the GATT agriculture rules of WTO at Uruguay talks. The IPC demands removal of 'high tariff' barriers in developing countries, remaining silent on the massive government subsidy to agribusiness in the USA.

A look at the IPC membership will explain what interests it represents. The Chairman is Robert Thompson, former Assistant Secretary US Department of Agriculture and former Presidential economic adviser. Also included in the IPC are Bernard Auxenfans, former chairman Monsanto France; Allen Andreas of ADM/Toepfer; Andrew Burke, Bunge

(US); Dale Hathaway former USDA official and head IFPRI (US). Other IPC members include Heinz Imhof, chairman of Syngenta (CH); Rob Johnson of Cargill (US) and USDA Agriculture Policy Advisory Council; Guy Legras (France) former EU Director General Agriculture, as is Rolf Moehler of Germany. Donald Nelson of Kraft Foods (US); Joe O'Mara of USDA, Hiroshi Shiraiwa of Mitsui & Co Japan; Jim Starkey former US Trade Representative Assistant; Hans Joehr, Nestle head of agriculture; Jerry Steiner, Monsanto (US). Members Emeritus include Ann Veneman, herself a board member of a Monsanto subsidiary company before she became US Secretary of Agriculture for George W. Bush in 2001.

In effect the IPC is run by US-based agribusiness giants including Cargill, Monsanto, Bunge, ADM, the very interests which benefit from the rules they drafted for WTO trade.

In Washington itself, the USDA no longer represents interests of small family farmers. It is the lobby of giant global agribusiness. The USDA is a revolving door for these private agri giants to shape friendly policies. GMO policy is the most blatant example.

Perhaps the most influential 'farm' organization is the powerful American Farm Bureau Federation (AFBF), claiming 5 million 'members'. Most of them are automatic members when they take out an AFBF insurance policy. They have no connection to a farm. AFBF reported net profit of \$6.5 billion in 1996 from insurance.

The AFBF today is a financial giant, not a farmer lobby. It owns large stock in Monsanto, ADM, ConAgra, DuPont, Dow, Syngenta and Phillip-Morris-Kraft Foods. This should not surprise anyone, as the AFBF was created in the early 1900's with money from Rockefeller and Vanderbilt fortunes to influence the Chicago Board of Trade agricultural commodity trade.

In 2000, Democrat Senator from Minnesota, Paul Wellstone, introduced a bill that would block further agribusiness mergers. It was defeated by a well-financed lobbying effort of the AFBF. The President of the AFBF, Bob Stallman, is a close friend of President

George Bush, named by Bush to serve on the Texas State Committee on Property Tax Relief, and he advised Congress on the 1996 agriculture bill that served agribusiness. His Texas friend Bush in 2001, named him to the US Government's Agricultural Policy Advisory Committee for Trade (APAC), advising the USDA and Trade Representative on agriculture policy. The APAC is an NGO whose meetings are closed and entry requires security clearance! So much for transparent government. Stallman also sits on the main US State Department advisory panel on economic issues, ACIEP.

In turn today the AFBF, together with organizations such as US National Cattlemans' Beef Association, which uses WTO to ban labeling of meat by country of origin (COOL) or GMO content labeling, form a cartel of agribusiness interests with the giant trading companies Cargill, ADM, Bunge, and the giant food processing and marketing companies like Kraft, Wal-Mart, Smithfield, Tyson, ConAgra. In the USA today, for example, three corporations control 80% of all cattle slaughter. The USDA repeatedly refuses to enforce anti-monopoly laws against the agribusiness industry. The reason is simply that the USDA is the lobby for agribusiness, not farmers. Few even in America are aware of the fact. Their tax dollars go to destroy quality family farming.

***Brussels is also dominated by GMO lobby***

The power of the giant GMO companies and US-centered agribusiness companies extends to control of key policies in Brussels at the European Commission. For years it has been common knowledge among EU farm experts that grain policy was not set by national governments but by the Big Five private grain traders led by Cargill and ADM. The powerful weight of Monsanto, DuPont and the 4-5 GMO giants today has been added. This is most clear in the recent announcement of a new EU program, SAFEFOODS, a successor to the controversial pro-GMO ENTRANSFOOD project. ENTRANSFOOD was set up to 'facilitate market introduction of GMO's in Europe, and therefore to bring the European (sic) industry into a competitive position. The GMO's are dominated by American and Swiss companies that are not even in the EU.

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ENTRANSFOOD, now called the more neutral SAFEFOODS, claims to combine different views on GMO food. In reality, the key Working Group 1, responsible for ‘Safety Testing of Transgenic Foods’ consists of representatives not from independent consumers, but from Monsanto, Unilever, Bayer Corp., Syngenta and BIBRA International a consultancy close to agribusiness and the pharma industry.

As well, Dr. Harry Kuiper, a Dutch scientist and member of the food safety GMO group of SAFEFOODS in Brussels, is coordinator of SAFEFOODS. Kuiper is not neutral on GMO. Kuiper also chairs the EU European Food Safety Authority GMO Panel. Kuiper has also been leading the vicious slander attack campaign to discredit genetic scientist Dr Arpad Pusztai who dared to go public with alarming evidence of organ damage from rats fed GMO potatoes and was fired on the intervention of Monsanto via Prime Minister Tony Blair in 1999.(5). Pusztai’s research remains one of the only scientifically independent results on the potential dangers of GMO today.

The WTO today is nothing more than the global policeman for the powerful GMO lobby and the agribusiness firms tied to it.

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Footnotes:

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