

SAO TOME-ET-  
PRINCIPE

Speech by His Excellency, Ovidio Manuel Barbosa Pequeno, Head of Delegation  
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His Excellencies the Heads of State and Government

Mr. Jacques Diouf, Director General of FAO

Distinguished Heads of Delegations

Ladies and Gentlemen

We have been invited here today to discuss the growing food crisis. Sadly, we have gathered so many times before to discuss this same tragic reality. How many papers have been written, how many interviews given, how many conferences held for decades to discuss hunger here and hunger there, crisis here and crisis there... What has really been done? Not much or we wouldn't still be gathering, would we?

I am sorry to take a harsh tone, but, frankly, the situation is not acceptable. With all the world's technology, the "green revolutions" and a globalized economy that makes moving merchandise across thousands of miles to new markets as easy as snapping one's fingers. Why are 100 million people, on every continent, facing hunger today? Why? There are food riots in

dozens of countries. Who cares about this? Apparently not many, since millions have already starved. How many children died today of hunger around the globe? Does nobody feel any shame? In a world where millions of people are on diets to lose weight, going to gyms, spas, throwing away more food in one meal than others could eat in a month, how is this possible?

With all respect, the UN, and especially FAO, the World Bank, the IMF, and aid organizations around the world have dealt with one food crisis after another. So many experts, so many advisors, so much foreign aid: billions and billions of dollars. Why have none of these experts resolved the situation already? Why are children crying right now from hunger? Why are mothers unable to offer any comfort? There is a saying that goes, "If you are not part of the solution, then you are part of the problem." So what are we? Problem or solution?

Frankly it would seem that the international organizations and the foreign aid mechanisms are not fit for purpose, since they never save us from one food crisis after another. How long, ladies and gentleman, can we allow this to go on?

FAO's Food Price Index for 2008 is 53% higher than one year ago. We are told that food prices are rising around the globe because of increased food demand in developing nations like China and India. Another factor is the use of crops for biofuels, as the U.S. has done with ethanol, for example. Also food stocks around the world are the lowest they have been for 25 years. And let us not forget the market speculators who have artificially pushed up the price of wheat, maize and other foodstuffs to earn unheard of profits at the expense of others dying of starvation. Finally, massive agriculture subsidies in the rich countries of Europe and the U.S. discourage agriculture in the developing world, for lack of market Access, in those very countries that come to us preaching about "free markets" and "fair trade." Yes, it seems it is free markets when poor countries open their markets to the rich countries' products. Likewise we promote free trade by letting their products into our countries. But when we try to go in the opposite direction, we find there is a gigantic Berlin wall of subsidies, tariffs and other hindrances to this very free markets and fair trade policy we are supposed to seek.

*This most recent food crisis will cause more hunger and more deaths than ever before. But rising food costs have hit even the*

richest countries now. There are American consumers scratching their heads as milk prices in the United States have tripled since January. Likewise bread has doubled. And many other foodstuffs are creeping up to the point where even people earning good wages, living in comfortable houses begin to wonder how they will be able to continue to pay rising food prices, as well as the constant rise in gasoline prices due to soaring oil prices around the world.

When the rich countries face rising prices, they will also have less and less food to give away or to buy for others. There will be greater than ever "donor fatigue" as aid budgets are slashed, when things at home in the rich countries are also not good. Fewer and fewer people are going to donate to NGO fundraising campaigns, because they have less and less disposable income.

So for countries like my own, where a huge percentage of the national budget is dependent on foreign aid, we must brace for the worst, since aid will become less and less.

On the other hand, the aid we have received has not been very helpful, has it? That does not mean we are not grateful for the

good intentions, but, let's face reality, and admit that things are worse than ever, and not better.

My country used to be an exporter of foodstuffs, and there was nobody hungry in Sao Tome and Principe. We were never rich, but we had enough food. That is no longer the case. As oil prices rise, so do transportation costs. Small island nations like ours have no economies of scale, and we must import virtually everything we consume, except for tropical fruits and fish, over long distances from Europe or Asia or Latin America. Transportation costs keep rising. So does the cost of the food. So how can we continue to import?

We once had flourishing cocoa and coffee plantations. Along came the World Bank's Structural Adjustment Program and we were told to privatize all government-owned plantations, which is where we grew our export commodities. We had no choice. So we divided up all the state farms and gave plots to every farmer. But neither the World Bank, nor the IMF, nor the U.N. agencies came along with any fertilizers, or seeds, or training to teach cocoa cutters how to become mini-agricultural entrepreneurs.

The plots were often long distances from where the central housing was on the plantations. So farmers had to walk 20 kilometers just to get to their plot. And once there they found a handful of cocoa trees, but no tools, no anything. With the central plantation mechanisms now abandoned, since the plantations now belonged to the small holders and not the state, even if the farmers could produce something, they had no transportation to get the cocoa or coffee to market. They also had no machinery to dry the crops, sort them, or bag them.

As a result, our agriculture has died. Our small holders have abandoned their plots since they are useless to them. And we are left stranded, without anything to export for funds. And no other way to earn Money or to buy imported food.

Where is the World Bank's Structural Adjustment Program?  
Nowhere to be seen. Where have all the FAO advisors taken us?  
Nowhere.

Again, I apologize for my bluntness, but we need more action and fewer conferences and speeches, and the action is now. If we do

not address structural problems like under-investment in agriculture, and unfair trade rules, then we are wasting our time.

Finally I would like to make a very short comment. Mr. Robert Zoellick, the World Bank President in an article published by the Financial Times has suggested what they decided to call, Mr. Zoellick' s ten point to solve the situation. I believe that you should add another point to deal with small islands countries- due to their characteristics and specificities.

Thank you very much for your kind attention.