

Trading our lives away : Free trade, women and ecology
(DURGABAI DESHMUKH MEMORIAL LECTURE-1996)
by Dr. Vandana Shiva

The re-birth of "free-trade"

January 1, 1995 has established a new era in which globalisation will be legislated by the World Trade Organisation (WTO). The WTO is armed with the power to adjudicate in international trade relations and enforce the implementation of the Uruguay Round agreement. It will replace the General Agreement of Trade and Tariffs (GATT). Its primary objective is to ensure a free trade environment.

Trade is not new. It is as old as human economic activity itself. International trade also has an ancient history. Even free trade is not a new experiment. It has been tried before. What is today the Third World used to dominate international trade prior to colonialism. "Free-trade" was in fact an important instrument for colonisation especially in the South Asian context. The transformation of the East India Company from a trade company to the ruler of colonial India was made possible by a free trade treaty of 1717 called the Faruksheer Firman. Free trade then implied the freedom of the East India Company to have a trade monopoly. Colonialism distorted the terms of trade and the Third World was transformed from being an exporter of manufactured commodities to bring a supplier of raw material and a market for British manufacturers.

As Radhakamal Mukherjee has noted,

The year 1800 saw a revolution in India's economy. India was now well-started on the road to transformation from being the industrial workshop of the world to one of its raw material producing regions. The Select Committee of the House of Lords observed in 1830. The Chief manufacturers of India having been supplanted to a great extent by the manufacturers of England, not only in the market of this country, but in that of India itself, it has become an object of the deepest interest to improve the productions of the soil; the committee therefore instituted a full inquiry into the quality of silk and of cotton of India and into the measures which they likewise made inquiries as to sugar, tobacco and other articles of Indian produce. Thus, while the export of such Indian raw materials as cotton, silk, hides, oil seeds, dye stuffs and jute as were essential for the progress of the Industrial Revolution was encouraged by England since the beginning of the 19th century. India entered upon a period of de-industrialisation and increased dependence upon agriculture.

The import substitution policies after independence were in part guided by a need to reverse the de-industrialisation induced by colonial trade regimes. Protectionism was a necessary part of this reversal.

Protectionism and free trade are intimately connected. They are the conditions for each others' birth. Removing the structures of protectionism of the post-colonial era is the major justification for the present round of "free trade", launched by the Uruguay Round of GATT. And new forms of protectionism in the form of environmental and social clauses linked to GATT are already emerging. GATT is a trading agreement between signatory countries which came into force in 1948. It was supposed to be replaced by the Havana Charter and International Trade Organisation. However, the

US Congress did not ratify these instruments as it would have meant surrendering some part of US sovereignty to the ITO as well as agreeing to forego some of rights of the US Congress and the US government in the area of trade policy.

Traditionally, GATT negotiations have centered around those trade issues, practices and disciplines which impinged on the transactions at the international border. They did not concern themselves with policies or transactions which were recognised as falling within the domain of the sovereign economic space of the participating countries.

The Uruguay Round has Changed the situation. Through the Uruguay Round of GATT negotiations, the industrialised countries are trying to make GATT the most powerful instrument controlling trade. They want the term "trade" to include the new areas of

- a. intellectual property rights
- b. services
- c. investments
- d. and agriculture

which have been so far subject of national sovereign policy making since they impinge in a very basic way on fundamental rights including

- the right to decision making
- the right to employment
- the right to health
- and the right to food.

The Uruguay Round sought to bring under GATT jurisdiction Intellectual Property Rights, Investments, Services and Agricultural by declaring them Trade-Related and thus justifiable under GATT. The developed countries which were losing out to South Korea, Brazil, Japan, Singapore in manufacture, were determined to make up by capturing markets for their service industries and investments. Thus state intervention for considerations of social priorities and social direction that the national governments may wish to adopt, needed to be treated as mere barriers to trade, and therefore dismantled through the process of negotiations.

In December 1991, Arthur Dunkel the 'director General of GATT presented the Draft Final Act. However, it was only in December 1993 that agreement was reached on GATT between the U.S. and the E.C. The final agreement was signed in Marrakesh in Organisation came into being to implement the Uruguay round Agreements.

Gender and globalisation

The completion of Uruguay Round of GATT and the establishment of the WTO on 1st January 1995 has drawn all domestic issues into the global economy, and all matters related to life-ethics, values, ecology, food, culture, knowledge and democracy have been brought into the global arena as matters of international trade.

The perspectives and position of women in the remotest villages of the Third World have therefore come into direct collision with the perspectives and power of men who control global patriarchal institutions.

Gender analysis in a period of globalization therefore needs to make two major shifts.

Firstly, since globalization is primarily a removal of national barriers to trade and investment, gender analysis needs to move from the exclusively domestic paradigm (either limited to the household or to the country) and needs to understand gender relations between actors globally.

Secondly, gender analysis needs to move from the impact and vicumhoon paradigm to a structural and transformative paradigm.

Most gender analysis gets limited to how the global economy impacts on women. However, global financial

They are institutions dominated and controlled by men, especially men from the rich G-7 countries, and being shaped by a particular gender, class and race of humans, they are expressions and vehicles of the preferred visions, aspirations and assumptions of this particular group. Gender analysis of globalisation therefore cannot limit itself to impact on women but needs to take into account the patriarchal basis of paradigms, processes, policies and projects of global economic structures. It needs to take into account how women's concerns, priorities and perceptions are excluded in how the economy is defined, how economic problems and solutions are proposed and implemented.

Three phases of globalisation

Globalisation is not new, even though its contemporary form is. The colonisation of the entire world by European powers was the first wave of globalisation. The second wave began after the ex-colonies had gained political independence and was characterised by the universalisation of production and consumption patterns of western industrialised countries across the world as "development", financed by bilateral aid agencies and multilateral development Banks like the World Bank. However, since the Western model is based on twenty per cent of the world population using eighty per cent of the world's resources, the globalisation of this pattern needed five planets, not one. It therefore led to maldevelopment instead of development.

The third phase of globalisation is exemplified by the trade treaties like GATT and the establishment of the World Trade Organisation which are imposing the interests of a handful of multinational corporations in all economic contexts, irrespective of their environmental and social impact. The three phases of globalisation have also centered on different natural resources. The first phase of globalisation was clearly focussed on the conquest of land. The second phase of globalisation was focussed on oil and petrochemicals. The third and current phase of globalisation is focussed on biodiversity and genetic resources.

Women, ecology and economic value - "Home" and "Trade" as metaphors

Ecology, economics and gender are all intimately connected to the construction of "home" as a metaphor.

The household was originally the metaphor for the economy. The word "economy" has its roots in the Greek word "oikos", which referred originally to the family household and its daily operations and maintenance.

In 1988 Ernest Herschel, the leading German disciple of Darwin derived the new label "oecologies" from the same root oikos, to refer to the science of the relations of living organisms to the external world, their habitat, customs, energies etc.

Before the emergence of modern patriarchal paradigm of economies, it was assumed that national economic affairs could be conceived of as merely extensions of the housekeeper's budget. Similarly, "oecologie" suggested that the living organisms of the earth constitute a single economic unit resembling a household or family dwelling intimately together.

With "home" as the metaphor for both ecology and economics there was no hierarchical divide between domestic production and commodity production for exchange and trade, or between nature's economy, the sustenance economy and the market economy.

Modern economic paradigms however, reconstituted the metaphor of home. It was no longer the model for economic organisation. The home was separated from the economy and made economically invisible. The home was redefined as the absence of economy. Division of labour between the genders was also mapped homologously with female and male being projected into the household and the economy respectively. When the economy was an extension on the household both domains had the participation of both genders. The removal of the economy from the household was also associated with a gendering of the economy and the household.

Sociologically, this led to what Maria Mies has called the housewifisation of the domestic economy. In terms of the economic paradigm it was associated with production in and for the home and for need being counted as non-production. The transformation of value into disvalue, labour into non-labour, knowledge into non-knowledge, is achieved by two very powerful constructs, the production boundary and the creation boundary. The production boundary is a political construct which excludes regenerative, renewable production cycles from the domain of production. National accounting systems which are used for calculating growth through gross national product are based on the assumption that if producers consume what they produce, they do not in fact produce at all, because they fall outside the production boundary.' All women who produce for their families, children and nature are thus all treated as non-productive, as economically inactive. Self sufficiency in the economic domain is therefore seen as economic deficiency when economies are confined to the market place, The devaluation of women's work, and of work done in subsistence economies in the Third World, is the natural outcome of a production boundary constructed by capitalist patriarchy, By restricting itself to the market economic value as defined by capitalist patriarchy ignores economic value in two vital economies necessary to ecological and human survival-the domain of nature's economy, and the domain of the sustenance economy. In nature's economy and the sustenance economy, economic value is a measure of the protection of the earth's life and human life. Its currency

is life giving processes, not cash or market price"

At the level of gender impact, this paradigm of economic value in one fell swoop made women's work and all domestic production disappear. The exclusive focus on incomes and cash-flows as measured in GNP has meant that the web of life around women, and the environment is excluded from central concern. The status of women and children and the state of the environment have never functioned as 'indicators' of development. This exclusion is achieved by rendering invisible two kinds of process. Firstly, nature's and women's contribution to the economic theories assign no value to tasks carried out at encompass the majority in the world - women and Third World people - who are statistically 'invisible'. Secondly the negative impact of economic development and growth on women, children and environment goes largely unrecognized and unrecorded. Both these factors lead to impoverishment.

Among the hidden costs generated by destructive development are the new burdens created by ecological devastation, costs that are invariably heavier for women, in both the North and South. It is hardly surprising, therefore, that a rising GNP or global trade figures does not necessarily mean that either wealth or welfare increase proportionately, I would argue that GNP or global trade figures does not necessarily mean that either wealth or welfare increase proportionately. I would argue that GNP and growth in international trade is becoming increasingly a measure of how real wealth - the wealth of nature and the life sustaining wealth produced by women - is rapidly decreasing. When trade in commodities is treated as the only economic activity, it destroys the potential of nature and women to produce life, and goods and services for basic needs. More trade and more cash mean less life in nature through ecological destruction and in society through denial of basic needs. Women are devalued, first, because their work co-operates with nature's processes, and second, because work that satisfies needs and ensures sustenance is devalued in general. More growth in what is maldevelopment has meant less nurturing of life and life support systems.

The three economies of nature, people and the market

Nature's economy - through which environmental regeneration takes place - and the people's sustenance economy - within which women produce the sustenance for society through 'invisible' unpaid work called non-work are being systematically destroyed to create growth in the global market economy. Closely related to the concept of people's economy in Hilka Pietila's categorization of the free economy in industrialized societies which consists of the non-monetary core of the economy and society, unpaid work for one's own and family needs, community activities, mutual help and co-operation within the neighbourhood and so on.

In addition there is the protected sector which consists of production, protected and guided by official means for domestic markets; food, constructions, services, administration, health, schools and culture and so on.

Finally Pietila describes the "free-trade" economy as the fettered economy which consists of large-scale production for export and to compete with imports. The terms in this economy are dictated by the world market, dependency, vulnerability, compulsive competitiveness and so forth.

For example, in 1980, the proportions of time and money value that went into running each category of the Finnish economy were as

	Time	Money
A. The free economy, Informal economy	54%	35%
B. Protected Sector	36%	46%
C. The fettered economy	10%	19%

In patriarchal economies, B and C are perceived as the primary economy, and A as the secondary economy. In fact as Marilyn Waring (Waring, Marilyn, *If Women Counted*, Harper & Row, San Francisco, 1988) has documented, national accounts and GNP actually exclude the free economy as lying outside the production boundary. What most economists and politicians call the 'free' or 'open' economy is seen by women as the 'fettered' economy. When the fettered economy becomes 'poor' - that is, runs into deficit - it is the free economy that pays to restore it to health. In times of structural adjustment and austerity programmes, cuts in public expenditure generally fall most heavily on the poor. In many cases reduction of the fiscal deficit has been effected by making substantial cuts in social and economic development expenditure, and real wages and consumption decrease considerably.

As the "trade" metaphor replaces the metaphor of "home", economic value itself undergoes a shift.

Value which means "worth", derived from *valere*, was redefined as exchange and trade. Unless something is traded it has no economic value. "Home" as the root and metaphor for the economy was substituted by trade as a metaphor for the economy and as a source of economic value.

The trade metaphor and nature's economy

The trade metaphor for the economy has also rendered nature's economy as valueless. Thus both the marginalisation of women's work and nature's work are linked to how the metaphor of "home" was reconstituted as the domain where no economic value is produced.

This shift in economic value is central to the ecological crisis. It is reflected in the change in the meaning of the term 'resource'. 'Resource' originally implied life. Its root is the Latin verb, *surgere* which evoked the image of a spring that continually rises from the ground. Like a spring, a 'resource' rise again and again, even if it has repeatedly been used and consumed. The

concept thus highlighted nature's power of self-regeneration and called attention to her prodigious creativity. Moreover, it implied an ancient idea about the relationship between humans and nature—that the earth bestows gifts on humans who, in turn, are well advised to show diligence in order not to suffocate her generosity. In early modern times, 'resources' therefore suggested reciprocity along with regeneration.

With the advent of industrialism and colonialism, however, a conceptual break occurred. 'Natural resources' became those parts of nature which were required as inputs for industrial production and colonial trade. John Yeates, in his *Natural History of Commerce*, offered in 1870 the first definition of the new meaning: 'In speaking of the natural resources of any country, we refer to the ore in the mine, the stone unquarried, the timber unfelled (ere).' In this view, nature has been clearly stripped of her creative power; she has turned into a container for raw materials waiting to be transformed into input for commodity production. Resources are now merely any material or conditions existing in nature which may be capable of 'economic exploitation.' With the capacity of regeneration gone, the attitude of reciprocity has also lost its ground: it is now simply human inventiveness and industry which impart value to nature. For natural resources require to be 'developed'. Only once capital and technology have been brought in, will nature find her destiny. From now on, it will become common sense that: 'natural resources cannot develop themselves; it is only through the application of human knowledge and skill that anything can be made of them, and most of the necessary work requires skill of a very high order.' Nature, whose real nature it is to rise again, was transformed by this originally Western worldview into dead and manipulable matter. Its capacity to renew and grow had been denied.

The trade metaphor is also guiding much of the work of environmental economics that is indifferent to women's sustenance economy and nature's economy. For example, the World Bank policy paper on trade liberalisation for India's agriculture sector recommends that the creation of 'markets in tradeable water rights'. It is argued that 'in rights to the delivery of water can be freely bought and sold, farmers with new crops or in new areas will be able to obtain water provided they are willing to pay more than its value to existing users, and established users will take account of its sale value in deciding on what and how much to produce'."

This institution of tradeable water rights is a guarantee for diverting water from small farmers to large corporate super farms. Tradeable water rights will lead to water monopolies. In the logic of the market, tradeable rights have a tendency to be sold to the highest bidder and hence lead to water-power linked to concentration of wealth. It will also lead to over-exploitation and misuse of water, since those who deplete water resources do not have to suffer the consequences of water scarcity as they can always buy water rights from oilier farmers and other regions. Beside aggravating the already severe ecological crisis in water resources, tradeable water rights will destroy the social fabric of rural communities and create discord and disintegration. The social breakdown in Somalia can be traced, in part, to the privatisation of water rights according to the World Bank policy. Tradeable water rights are based on the assumption that no ecological or social limits should be placed on water use. Such use without limits leads to abuse. The World Bank proposals on tradeable water rights are a prescription for social and ecological disaster.

Introducing tradeable land and water rights is often justified on environmental grounds. For example, a World Bank study by Pearce and Warford argues

In the absence of rights to sell or transfer land, the land owner may be unable to realise the value of any

improvements and thus has little incentive to invest in long term measures such as soil conservation."

This assumption is patently false, since the best examples of soil conservation-the hill terraces of the Himalayas, are realised precisely for the opposite reasons. Communities, not threatened by alienation of resources and their benefits, have a long term interest in conserving resources.

The marketisation and privatisation of land and water resources is prescribed on the flawed concept of the equivalence of price and value. However, all movements related to preventing the ecological abuse of land and water and providing justice in land and water rights ask for the opposite-the inalienability of rights and where the resource is a common property resource, like water, the inalienability of common rights.

Experiments like the Pani Panchayat Movement and the Makti Sangharsh Movement are showing the direction for the ecological and equitable use of water. Pani Panchayats were formed to prevent the waste of scarce water resources through inequitable and ecologically destructive, though temporarily commercially remunerative cropping patterns. To ensure equity, the Pani Panchayats treat water as a community resource, not as private property. Further, water rights are based on the number of family members, not on the size of land holdings. The experiments of the Pani Panchayat have demonstrated that community management of a scarce common resource is the only way to ensure both justice and sustainability.

Freedom to trade vs freedom from hunger

With the Uruguay Round of GATT and the establishment of the WTO the scope of the trade metaphor has further increased. The two central impacts of the Uruguay Round are the removal of national boundaries in trade flows and bringing into the domain of international trade subject areas that had hitherto been restricted to domestic policy such as agriculture and intellectual property rights. The collapse of the border paradigm is linked to the introduction of the "production boundary" at national borders and the reduction of entire domestic economies as non-value generating.

All economic value is' therefore reduced not just to market prices, but to global market prices-the dollar. And the dollar economy in a world which is borderless for capital but not for people based not on productive activities, but speculation. For every \$1 circulating in the productive world economy, \$20 to \$50 circulate in the economy of pure finance. The daily trade in goods is only \$20-25 billion, but the "trade" in finances is \$800 billion to \$1 trillion. Creation of money thus become totally unrelated to the creation of value, though the speculative economy has power to destroy the real economy in which people provide for themselves in daily life. Not only have the three economies of nature, people and market been

reduced to the market alone, the market economy itself has been reduced to the global market dominated by trade in the dollars. This dollarization of economic value of nature and products necessary for human survival is an essential part of globalisation. It is a trend in India, evident in recent advertisements, which equate natural resources with dollars and yens. Ecological and social costs and values disappear and are destroyed, and the destruction does not register on the global trade figures (see appendix 1 to 3).

Thus the only value of shrimp is its value for American, European and Japanese markets. The increased profits from exports of shrimp show up in national and global economic growth figures. However the destruction of local food consumption, of ground water resources, fisheries, agriculture and livelihoods associated with traditional occupations in each of these sectors does not occur in global economic value, it is only experienced locally. As drinking water and livelihood options disappear .as. a result of intensive shrimp cultivation for exports, it is women of fishing and [aiming communities who suffer most and who have resisted the expansion or shrimp farming. As Govindamma of kurru village puts it "We were displaced from the sea, we went to agriculture for jobs. Now they are building prawn farm on agricultural lands. Salt farms are also being converted to *aqua*. There too we will lose labour. Where will we earn our living?"

Export of agricultural commodities therefore has severe costs for local ecosystems, local communities and local economies. The agriculture agreement of WTO promotes import and export liberalisation through its market access and export competition clauses.

India's exports of principal agricultural commodities amounted to Rs.6.2 billion during 1990-91, Rs.8.1 billion in 1991-92, Rs.8.9 billion in 1992-93 and Rs.12 billion in 1993-94.

The most important items exported from India in recent years are marine products accounting for Rs.1. 7 bill ion in 1992-93 and Rs.2 billion in 1994.

What these figures hide are the costs born by women through the social and ecological impact of aquaculture for exports. Prawns are the most important species cultivated for exports in intensive shrimp farms with stocking rates of 100,000 to 300,000 prawns per hectare, maintained on artificial feeds and intensive pumping of sea and ground water.

In India, the most rapid expansion of shrimp farming is in the districts of Nellore (named after "nelli"(rice) and Thanjavur, the rice bowl in the Cauvery delta The ecological impact of intensive shrimp cultivation has turned these fertile coastal tracts into graveyards, destroying both fisheries and agriculture. In Tamil Nadu and Andhra Pradesh, women from fishing and farming communities are resisting prawn cultivation through "satyagraha".

The agricultural exports have increased by about 71% during the span of the last four years- from Rs.21.98 billion in 88-89 to Rs.37.66 billion in 1992-93. The Indian prices of staple food grains are lower than world prices. Indian rice prices are about 54% lower than world prices. The prices of wheat in India are 17% lower compared to world wheat prices. However, as these crops get exported, these domestic prices will rise. taking them beyond the reach of poor people.

As a result of increasing domination of market forces in the food sector and reduced public policy intervention for food security, food prices increased by 63% between 1989-90. And 1993-94, leading to a decline in per capita food consumption in the last three years from 510 gms per day in

1991 to 466 gms per day in 1993. In Rajasthan, the quota of wheat available under the Public Distribution Scheme has been reduced from 10 kg per unit to 3 kg; in Gujarat from 20 kg. to 10 kg; in Madhya Pradesh from 12 kg to 3.5 kg. This is in spite of the fact that the Essential Commodities Act has not yet been dismantled. When, as demanded by trade liberalisation, food will be available only at world market prices, starvation is the only certainty for the majority of the poor who were not even getting enough food prior to the "reforms", and famine the only inevitable future scenario for the country.

Liberalization of agricultural exports have also led to the exports of cotton and yarn. Export of cotton has led to a doubling and tripling of the cost of yarn and the creation of massive unemployment in the decentralised handloom weaving sector. The handloom sector employs 9 million workers, largely in home based production. The main reason for the destitution of the weavers is that between 1991 and 1994 the prices of yarn had more than doubled from Rs. 226.30 to Rs. 4 I 5 per bundle for 20's count and from Rs.174 to Rs.491 per bundle of 40's count. The main reason for the rise of price in yarn is liberalisation of exports. In 1994, cotton prices went up by 55 per cent, but there was hardly a 5 per cent increase in handloom cloth. Hardly 10 per cent of the looms in Andhra Pradesh are working because of the crisis created by exports. Free exports thus translate into unemployment and starvation.

Trade liberalization of agriculture is doubly flawed, first because it fails to take into account the new context of capital mobility and second, because food is something every society has produced and no country has had the luxury to not specialise in food production.

The theory of comparative advantage in its simplest form states that a nation can enhance efficiency in resource use and hence not welfare, by producing and exporting commodities in which it is relatively efficient and importing commodities in which it is relatively not so.

However, food is something every country has produced, and has the potential of producing. Food is not just a tradeable commodity, but the basis of life itself. Maximising market efficiency in food production can often be associated with collapse of food entitlements and growth of starvation and famine, as country after country undergoing structural adjustment has shown. Comparative advantage in terms of market forces can lead to total disadvantage in terms of food security and food rights.

Further, the theory of comparative advantage is based on free mobility of goods, not of capital or labour. As David Ricardo clearly explained, if capital could cross national boundaries, then it would seek absolute advantage (profitability) ju as it does within a nation. Only if capital is not free to cross national boundaries in pursuit of absolute advantage is there any reason for it to specialise within the nation according to the principle of comparative advantage.

Therefore the theory of comparative advantage is misplaced in a world of international capital mobility, which is characteriscd by absolute advantage and profits.

In the area of food and agriculture, this search of absolute advantage by capital can often be at the cost of local food security and farmers' survival. Applying the fallacious logic of comparative advantage to agriculture in poor countries like India can lead to policy prescriptions that increase domestic food prices of cereals like rice and wheat because of exports and destroy the economic base of poor farmers in poor regions because of imports of millets like sorghum, which are largely produced by them. Food security is therefore destroyed by "liberalisation" of both exports and imports.

Ignoring the fallaciousness of the comparative advantage logic, the NCAER study on Export Competitiveness for India recommends the export of wheat and rice and the import of sorghum. It does not view coarse grains like sorghum as having export competitiveness. "However, less encouraging export competitiveness of maize and sorghum in itself is not a serious worry because these crops can be import substituted efficiently." (Export Competitiveness of Selected Agricultural Commodities, NCAER).

Food security in agriculture is based on a delicate balance between market forces and public policy and the rights of consumers as well as producers, so that food prices are not too high to take food beyond the reach of the already deprived consumers and not too low to push out domestic farmers from production. Food is not merely an item of consumption. Food production is also the most significant source of livelihood for our people. It is through the *participation* in food production that most people in India have an *entitlement* to food. As Amartya Sen has so clearly articulated in *Poverty and Famines: An Essay on Entitlement and Deprivation*, starvation and deprivation are linked more directly to declining entitlements than to decreased 'food supplies':

In a market economy, a person can exchange what he owns for another collection of commodities. He can do this exchange either through trading, or through production, or through a combination of the two. The set of all the alternative bundles of commodities that he can acquire in exchange for what he owns may be called the exchange 'entitlement of what he owns'.

Structural adjustment and trade liberalisation measures can create starvation and famine by removing tariff barriers and allowing the flow of cheap food which displaces peasants and destroys their entitlements. In Somalia, Rwanda and all of sub-Saharan Africa, the famines are linked to removal of import barriers and the destruction of the market for domestic producers. Lowering of import barriers and flooding markets with imported food grains sold at low prices because of many levels of hidden subsidies can actually contribute to hunger and starvation in primarily agricultural societies. While lower food prices *might* be good for societies with hardly any farmers, they are devastating for food security in peasant economies.

Therefore the impact of trade liberalisation on food security is different in different socio-economic contexts. In items whose domestic price is lower than international prices, trade liberalisation leads to exports and thus a rising of the domestic price. In items whose

domestic price is higher than international prices, trade liberalisation leads to dumping and a displacement of domestic producers from agriculture. In such a situation, as indicated above, cheap food can be a prescription for famine when it displaces domestic producers and destroys their entitlement,

Further, cheap food does not imply food produced at lower cost. High costs of production can go hand-in-hand with low food prices because agribusiness corporations are the sellers of inputs to farmers, the buyers of agricultural commodities from farmers, and the sellers of processed foods to consumers. Not only are their profits distributed across these different segments of the food production and distribution chain, they are also spread in

space across different countries and in time through futures trading. They can bring cheap food to consumers in spite of extremely high costs of production because of their monopoly control on the food chain. Most national laws related to the production and distribution of food are laws that have been aimed at curbing the monopoly control of trading interests. Trade-liberalisation is aimed at removing all restrictions for trade and trading interests. Trade-liberalisation therefore results in the removal of food security by removing the legal and policy instruments that protect the entitlements of the poor who have little or no purchasing power and are therefore excluded from the market.

The value of knowledge: A gender analysis of the TRIPs agreement of WTO

The Trade Related Intellectual Property rights Agreement of the Uruguay Round of GATT now institutionalised as the World Trade Organisation (WTO) has for the first time brought into global trade, the domain of ideas, knowledge and innovation. Of particular interest to us are clauses that refer to IPRs in the area of biodiversity and agriculture, since this subject matter is closely related to women. Women are the original seed keepers. Women still continue to be custodians of seed diversity. Most women in our region are farmers. Women's rights and knowledge in agriculture and biodiversity are now threatened by the TRIPs agreement of GATT/WTO. The TRIPs treaty is in effect setting up a creation boundary.

The creation boundary does to knowledge what the production boundary does to work; it excludes the creative contributions of women and Third World peasants and tribals and treats them as being engaged in unthinking, repetitive, biological processes. The separation of production from reproduction, the characterisation of the former as economic and the latter as biological, are some of the underlying assumptions that are treated as 'natural'; even though they have been socially and politically constructed. This patriarchal shift in the creation boundary is misplaced for many reasons. First, the assumption that industrial activity is true creation because it takes place ex nihilo is ecologically false. No technological artefact or industrial commodity is formed out of nothing; no industrial process takes place where nothing was. Intellectual labour is consumed at every level of industrial production as 'raw material' or 'energy'. The biotech seed

which is treated as 'creation' to be protected by patents could not exist without the farmer's seed. The assumption that only industrial production is truly creative because it produces from nothing hides the ecological destruction that does with it. The patriarchal creation boundary allows ecological destruction to be perceived as creation, and ecological regeneration and creation to be perceived as non-creation. This devaluing of regeneration underlies the breakdown of ecological cycles and the crisis of sustainability. To sustain life means, above all, to regenerate life; but according to the patriarchal view, to regenerate is not to create, it is merely to 'repeat' it is the same as passivity.

Intellectual property rights especially patents on life, are the ultimate denial of nature's creativity and women's creativity.

According to the TRIPs agreement of WTO, the subject matter for patents has been enlarged to cover both products and processes.

Art. 27.1 on 'Patentable subject matter' states

Patents shall be available for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application.

The Indian Patent Act 1970 does not provide for grant of product patents in the field of agricultural chemicals and pharmaceuticals. However, India's obligations under the WTO agreement made it necessary to have certain institutional arrangements in place before the 1st of January .1995.

According to Article 70.8 (a) of the TRIPs agreement on 'Institutional Arrangements'

Where a Member does not make available as of the date of entry into force of the WTO Agreement patent protection for pharmaceutical or agricultural chemical products, commensurate with its obligations under Article 27, that Member shall

- a) notwithstanding the provisions of Part VI, provide as from the date of entry into force of the WTO agreement a means by which applications for patents for such inventions can be filed.

Further, Article 70.9 states

where a product is the subject matter of a patent application in a Member in accordance with paragraph 8 (a), exclusive marketing rights shall be granted notwithstanding the provisions of Part VI, for a period of five years after obtaining marketing approval in that Member or until a

product patent is granted or rejected in that Member whichever period is shorter, provided that, subsequent to the entry into force of the WTO Agreement, a patent application has been filed and a patent granted for that product in another Member and marketing approval obtained in such other Member."

These Obligations are heavily weighted in favour of international corporations and effectively undo the ten-year transitional period allowed under Article 65 of TRIPs to change domestic patent regimes to align it with the requirements of the TRIPs agreement. The economic rights a patent confers on the owner is an exclusive marketing rights.

Article 28.1 on Rights Conferred states

"A patent shall confer on its owner the following exclusive rights:

- (a) where the subject matter is a product, to prevent third parties not having the owner's consent from the acts of: making, using, offering for sale, selling or importing for these purposes that product
- (b) where the subject matter of a patent is a process, to prevent third parties not having the owner's consent from the acts of: using, offering for sale, selling, or importing for these purposes at least the product obtained directly by that process.

Article 70.9, by obliging member countries to have an arrangement to give exclusive marketing rights for patent applications in subject matter currently excluded by our patent laws, in terms of economic impact, achieves the same results as if patent rights had been conferred for product patents in the area of pharmaceuticals and agriculture. As far as the economic impact of the ordinance is concerned, it will be the same as the impact would have been if the patent laws had been changed to cover product patents.

Further, the last phrase in Article 70.9, which relates the exclusive marketing rights to product patents applied for and granted in other member countries biases an otherwise neutral sounding obligation against domestic innovators and companies of the Third World and in favour of transnational corporations.

Firstly, it is transnational corporations that operate in many countries and can use this clause to their advantage. Secondly, because of global economic inequality and the devaluation of domestic currencies over a series of World Bank and IMF adjustments, the additional costs of transnational corporation filing application in Third World countries are insignificant,

Where as the additional costs for an Indian scientist or company filing a patent application in the US or Europe are exorbitant and will act as a barrier.

The obligation to give exclusive marketing rights on the basis of Article 70.9 is in effect loaded in favour of foreign corporations. Not only will this have serious economic consequences for Indian scientists and firms. It also undermines the fundamental rights of citizens granted under the Constitution.

IPRs and Human Rights

"The State shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties"

Article 47, Constitution of India

the duty of the State is in fact a reflection of the fundamental right of citizens to have access to health and nutrition.

The TRIPs agreement militates against people's human right to food and health by conferring unrestricted monopoly rights to corporations in the vital sectors of health and agriculture. The patent ordinance, which allows exclusive marketing rights in the area of agricultural chemicals, when combined with breeders' rights monopolies for seed corporations under the Plant Varieties Act being drafted by the Government of India as part of its obligations under TRIPs to have an IPR system to cover plant varieties and seeds, will undermine farmers' rights and people's rights to food as human rights.

Article 27.5.3(b) of TRIPs makes patents for microorganisms obligatory. Further, recent judgements have allowed microorganisms to be interpreted as genes, cell-lines, etc.

Article 27.5.3 (b) of TRIPs agreement states that

Parties may exclude from patentability plants and animals other than micro-organisms, and essentially-biological processes for the production of plants or animals other than non-biological and micro-biological processes.

However, parties shall provide for the protection of plant varieties either by patents or by an effective *sui generis* system or by any combination thereof. This provision shall be reviewed four years after the entry into force of the Agreement.

The problem with TRIPs text of GAIT is that while it appears to an agreement about *exclusion* of living organisms from patentability, it will in fact put every country on the slippery slope of patenting of life forms that has already been travelled in the U.S. Patent Office and U.S. Courts. It is in any case a tragedy that an issue that is directly related to the ecological and ethical fabric of our society, and to the economic options of survival of our people should be left to a ministry of Commerce. GATT-TRIPs is not about trade. It is also about the ethics of how we relate to other species and what we hold as moral and cultural values of our civilisation. It is about how our biodiversity is used and controlled-by local communities who have protected it, or by corporations which have found new ways to exploit and own it.

In our culture, and according to our patent laws, life cannot be patented because it cannot be owned and it is not manufactured. GATT will force us to give up our moral values, our economic priorities and our sovereignty. GATT-TRIPs pushes us into making all living organisms, property of a handful of corporations. On first reading, it appears that the article is about the exclusion of plants and animals from patentability. However, this phrase also exists in U.S. patent law. The existence of this phrase has however not prevented the U.S. from allowing patents for plants and animals. The problem is that the phrase "plants and animals other than microorganisms" does not cover *parts* of animals and plants, nor does it include *altered* plants and animals. It therefore allows the patenting of biological organisms.

Further the words "other than microorganisms" excludes the exclusion of microorganisms from patentability. It therefore makes patenting of microorganisms compulsory.

Since microorganisms are living organisms, making their patenting compulsory is the beginning of a journey down what has been called the slippery slope that leads to the patenting of all life.

Under the impact of the TRIPs agreement, Third World women farmers will stop being the custodians and owners of seed. Even the sui generis option is pushing governments to give monopoly rights to the seed industry through introducing breeders' rights legislation.

The international Convention of the Union for the Protection of New Varieties of Plants (UPOV) had maintained farmers' rights to save seed, but in a March 1991 amendment this clause was removed. The new clause in UPOV (and TRIPs) can be used to enforce royalty payments on farmers if they save seed of their own crop. With the stronger intellectual property rights regime being conceived under WTO, the transfer of extra funds as royalty payments from the poor to the rich countries would exacerbate the current Third World debt crisis ten fold. This is ironical, since most plant diversity originates in the Third World, and seeds and plant materials that today are under the control of the industrialised world, were originally taken freely from the farmers to whom they will now be sold back as patented material. As a result, seed companies will reap monopoly profits, while the genius of Third World farmers will go unrewarded and they will be banned from saving and using their own seeds.

IPRS in the area of seeds and plant material are in any case not easy to demarcate, since the genetic resources used by multinational corporations for claiming patents are the product of centuries of innovation and selection by Third World farmers, especially women. The UN Food and Agriculture Organisation (FAO) has recognised these contributions in the form of 'Farmers' Rights' and the Biodiversity Convention signed at the 1992 Earth Summit also recognizes them, and accepts the need to make IPRs subservient to the objectives of biodiversity conservation.

The TRIPs text, however, biased as it is in favour of acknowledging only the innovation by global patriarchal institutions like Multi-National Corporations (MNCs) goes against these agreements reached on other international platforms. The negative impact on farmers and other Third World citizens will be increased due to the extension of the working and the terms of the patent, and the reversal of the burden of proof. Article 34 of the text reverses the burden of proof in the area of process patents. In normal law, the accused is innocent unless proven guilty. Under the reversal in the WTO regime, however, it is the accused who must demonstrate their innocence; if they cannot do so, then they are deemed guilty of having infringed upon the right of the patent holder.

In the area of agriculture this can have absurd and highly unjust consequences. MNCs are now taking out broad patents on plant varieties, covering ownership of traits and characteristics. With the reversal of the burden of proof clauses, it becomes legally possible for a corporation to accuse the farmers who originally contributed the seeds with a particular trait, of patent infringement. There is no clause in TRIPs to offer protection to farmers in such cases.

When this situation is combined with possibilities of cross - retaliation that the WTO will institutionalize, MNCs will have a very powerful tool to subsume all agriculture and all production under their monopoly control. This monopolization of the entire economy is the main motive for setting up a WTO with a TRIPs council.

The age of globalisation is deepening the categories of gendered inequality that are categories of a special project of a narrow group of men which excluded and denied the recognition of the contributions of all other social groups from the production of intellectual and material wealth, while using the intellectual and productive contributions of others in their wealth and value generation.

The categories of economic value guiding globalisation are violent and destructive to nature as a producer and to women as producers and knowers. In this destruction of material and intellectual wealth of nature and Third World women reductionist categories in science are dialectically linked to reductionist categories in economics which reduce all value to global market value, and register only activities and processes that involve trade and cash transactions in dollars.

As the super state system of the World Bank, IMF and WTO and multinational Corporations, reach for the resources and knowledge that Third World women have so far controlled and conserved, conflicts over economic value of nature and knowledge become reflections of globalised gender conflicts. In the large spectrum and many levels of conflicts across gender, race and class, it is the structures of northern patriarchal power that stand in the most extreme opposition to the interests, values, visions and dreams of Third World women. Whether it is the women protecting seeds and fighting IPRs in agriculture through the Seed. Satyagraha or it is the coastal communities resisting shrimp farming through their Satyagraha, globalisation has Unleashed a new era of gender politics, with the poorest and most marginal women fighting to protect life in its freedom and its diversity.

Trade-related feminism

The most significant innovation of the Uruguay Round is the creation of the term "trade-related". By adding the prefix "trade related" to any subject, two magical moves becomes possible.

The first shift induced by the "trade-related", prefix is to draw areas of domestic decision making into the global arena, ignoring cultural, socio-economic and political contexts in diverse societies. Thus, intellectual property rights regimes which have so far been subject only to national requirements have been made global through the "Trade-Related Intellectual Property Rights" (TRIPs) Agreement of GATT.

The second switch achieved by the term "trade related" is to transform areas from which the dark side of free trade is visible into reasons for its justification and enlargement. When environmentalists and labour unions began to criticise GATT because it would destroy jobs and the environment, "trade-related" social clauses and "trade-related" environmental clauses were offered as a panacea. Trade unionists and environmentalists who had been critical of GATT started suddenly to find a Blue GATT with social clauses and a Green GATT with environmental clauses as essential to the protection of workers' rights and environmental rights. What was forgotten was that as mere clauses in free trade-treaties, these fundamental rights no longer exist as rights, they are metamorphosed into "standards". Standards are in the hand of global agencies, rights are in the hands of people. Standards linked to international trade are inadequate instruments for protecting the rights of workers and the rights of nature for a number of reasons.

1. They are directed at other countries legislation, not at strengthening domestic regulation in the area of labour and the environment. In fact, it is precisely because of domestic deregulation of labour and environmental legislation that environmental and labour lobbies, especially in the North, turn in helplessness to GATT to use environmental and social conditionalities against weaker trading partners.
2. They can only be used in areas predominated by international trade and exports and imports, and leave all other areas unprotected.
3. Because of the built in selectivity and asymmetry, social and environmental clauses can often be a disguised form of trade protectionism engaged in by precisely those countries which have pushed the free-trade treaties and free-trade ideology on the international community.

Movements and governments of the South have resisted social and environmental clauses, though for different reasons. Movements resist these clauses in free-trade treaties because they see free trade as based on social and environmental inresponsibility and externalisation of social and ecological costs by globally mobile capital in search for absolute advantage and profitability. They are against free-trade, and they are for a protectionism that is people based, not super power based. (Movements resist "trade related" conditionalities because they want more local control local autonomy and local decision making in areas vital to life: Super power and super state

sanctioned trade retaliation is less democratic and more authoritarian than state regulation in terms of centralisation, distance, unaccountability and inability of local communities to influence decisions that affect their lives). Third World governments resist social and environmental clauses because they have fully absorbed the "free trade" ideology of the deregulation of commerce and see in "blue" and "green" clauses a hidden protectionism that violates the free trade logic. Representing the interests of dominant classes, they see in free-trade an opportunity to get free of social and environmental responsibility.

As feminism analysis starts to indicate the trade could be yet another patriarchal project, based on gendered paradigm, having gender differentialled impacts, we will surely be offered a version of "trade-related feminism".

In a seminar on "Global Trading Practices and Poverty Alleviation in South Asia - A Gender Perspective", organised by UNIFEM, one case study showed that trade-liberalisation has negative impacts on women as producers and consumers, especially in sectors related to essential needs, like those for food, water and clothing.

Most women in the South Asian region are engaged in these vital sector of agriculture and food processing, and textiles and garments sectors. These are also the major trade sectors for South Asia. Trends indicate that in these sectors trade liberalisation leads to women losing both production options as well as consumption entitlements.

In Maldives, when exports in fisheries increased, women's participation in the fisheries sector declined from 62% in 1977 to 20% in 1990.²⁰

In India, an ICSSR study has shown that growth in agro processing linked to foreign investment and exports was creating jobless growth. Overall, in the agro-processing sector, employment was going down."

The growth of aquaculture linked to marine exports has led to salination and destruction of agricultural and fisheries livelihoods by the destruction of coastal ecosystems."

Exports of agricultural commodities have led to increased food prices and declining food entitlements. In India, food prices increased by 63% between 1989-90 and 1993-94, leading to a decline in the per capita food consumption in the last consumption in the last three years from 510 gms per day in 1991 to 466 gms per day in 1993.

In spite of empirical data everywhere that shows that trade-liberalisation displaces women from production and consumption, there is a new discourse emerging on "integration of women in trade development". The integration of women in trade development and promotion has become a priority concern of the International Trade Centre UNCTAD/GAIT which has a five year work programme in it.

If women's critique of maldevelopment created "Women in Development" (WID), women's critiques of "free trade" are creating "Women in Trade Development"(WITD) in which women's development has been replaced by the development of trade. Instead of women's concern creating a shift in economic paradigms, the dominant economic paradigm aims at using women instrumentally. As the ITC document states:

ITC is convinced that it is essential for women to enter society's mainstream to accelerate the trade development process in individual countries.

Trade promotion is not necessarily the first priority among the roles women can play in development. Nevertheless, it is clearly acknowledged today that women are a major under-utilized resources in the search for increased export earnings.

Instead of women's empowerment being the objective of economic policy, women are thus reduced to being the means. Instead of trade being a means, it has been elevated to being the highest end of all people, societies and countries must strive towards. A new cosmology is being written, with trade at its centre, as the end to which every system must strive, as the source of all meaning. A new "trade related feminism" is being borne, in which it is the freedom of trade, not the freedom of women that is the primary concern.

An ecological and feminist agenda for trade

The Uruguay Round of GAIT and the establishment of the World Trade Organisation has created two unprecedented shifts. Firstly, it has drawn issues that are not narrow economic issues into the domain of trade and economics. Secondly, it has drawn all economic and non-economic issues out of domestic decision making and policy into the global arena where ordinary citizens do not have access to instruments of democratically influencing decisions and policies at the everyday level.

International trade has therefore been made the be-all and end- all of human existence in every society and the dollar has been made the ultimate measure of value. Limitless destruction of ecosystems and people's economies and livelihoods has been legitimised in order to increase global trade and economic growth as measured in foreign exchange. Large scale ecological disruption, destruction of livelihoods and economic security of millions of people, and the wholesale destruction of biological and cultural diversity is the inevitable consequence.

An ecological and feminist agenda for trade needs to be based on recognising the ecological limits and social criteria that economic activity should be guided by if it has to respect the environmental principles of sustainability and the ethical principle of justice. This requires that the full ecological and social costs of economic activity and trade be made visible and taken into account. Globalisation that erases ecological and social costs is inconsistent with the need to minimise environmental destruction and human suffering. Localisation, based on stronger democratic decision making at local levels, building up to national and global levels is an imperative for conservation as well as democracy. 'Through the increasing role in decision making of excluded groups including tribals, peasants and women at local levels, criteria of demarcation need to evolve which distinguish between economic activities that need to be locally controlled and activities that can be globalised.

Globalisation has undermined the capacity of local communities and citizens of countries to influence policies that effect their levels.

Localisation and decentralisation does not imply autarky or isolation. It is based on the principle of subsidiarity, and helps discriminate between different aspects of social and economic life and establish the appropriate form of governance for each activity to ensure protection of people and

the environment.

Aspects of human life necessary for survival need to be governed by a logic deeper and wider than the logic of international free trade. This involves reclaiming areas of ethics, ecology and equity that have been subsumed under trade by the prefix "trade related". We need to redefine issues on the basis of ethical and ecological principles. Thus, while the Uruguay Round transformed patents on life from being an ethical issue to being a merely "trade related" item of GAIT, ecological and ethical movements against patenting of life and its products are reclaiming the ethical dimension on patents on life forms.

Similarly, while food and agriculture were reduced to a trade issue, social and environmental movements are reclaiming these as matters central to human rights and cultural and ecological survival.

As we enter the next millennium the values emerging from diverse social movements need to locate trade in its ecological and human context. Where necessary limits need to be put on trade to protect the integrity of the earth and the integrity of society.

References

1. Vandana Shiva (1994). The East India Company, Free Trade and GAIT. *The Telegraph*, 21 June.
2. Maria Mies (1993). Feminist research: Science, violence and responsibility. In Vandana Shiva and Maria Mies. *Ecofeminism*. New Delhi: Kali for Women and London: Zed Books.
3. Ted Trainer (1989). *Developed to Death*. London: Green Print.
4. Pietila, Hikka (1985). *Tomorrow Begins Today*. ICON ISIS Workshop, Nairobi.
5. *Oxford English Dictionary*, Second Edition.
6. Joseph Meeker (1987). Misused Resources. *Resurgence*, 125, December.
7. *Science and Technology for Development*, "Report on the United Nations Conference on the Application of Science and Technology for the Benefit of Less Developed Areas" Vol. II: Natural Resources .. 1963, p.18 Ref. 7 New York: United Nations.
8. S. Pursell Gulati and A. Gulati (1993). *Liberalising Indian agriculture: World Bank policy paper No. 1172*.
9. Pearce and David W., and Jeremy J. Warford (1993). *World without end: Economics, environment and sustainable development*, Washington, OC: World Bank.
10. Vandana Shiva (1993). *Ecology and the politics of survival*. United Nations University Press and SAGE, London.
11. Vandana Shiva (1994). The Violence of Blue Revolution. *The Telegraph*, 26 November.
12. Final Act GAIT, 1994. P.C. Jain (1995). The Right Weave. *The Economic Times*, February 3.

13. L. C. Jain (1995). The Right Weave. *The Economic Times*, February 3.
14. Asha Krishna Kumar (1995). Struggle to Survive. *Frontline*, March 10. p. 110-112.
15. Herman Daly and Robert Goodland (1993). *All ecological-economic assessment of deregulation of International Commerce under GATT World Bank environment Department*.
16. Vandana Shiva (1988). *Staying alive: Women, ecology and survival in India*. New Delhi: *Kali for Women*.
17. Vandana Shiva (1991). *Most farmers in India are women*. FAO, June.
18. Vandana Shiva (1993). Women and Biodiversity. *Indigenous Visions*. New Delhi: India International Centre.
19. Vandana Shiva (1993). The seed and the earth: Biotechnology and the colonisation of regeneration. In Vandana Shiva, *Minding Our Lives*. New Delhi: Kali for Women.
20. *Maldives Country Paper*. Presented at UNIFEM Conference on "Global Trading Practices and Poverty Alleviation in South Asia" held from 30th January to 1 February 95.
21. Devaki Jain, Keynote address at UNIFEM Conference. *ibid*.
22. Vandana Shiva, paper presented at UNIFEM Conference. *ibid*.
23. Vandana Shiva, paper presented at UNIFEM Conference. *ibid*.
24. The Integration of Women in Trade Development: A proposal for an ITC programme for 1992-1997 -ITCI TM(92)/4)
- 25: Vandana Shiva (1994). *Can life be made? Can Life be Owned?* Annual Environment Day Lecture, Parisar, Pune
26. People's Charter on Food Security based on the Policy Dialogue on "Trade Liberalisation, Natural Resources and Food Security" held on 4th and 5th Feb 95 in New Delhi. Third World Network (India)