

The growth of wealth and misery: Where is the hope?

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Introduction

Doña Rigoberta, Mesdames, Messieurs, dear colleagues I thank very much Stephan from the Centre for Development and Environment of the University of Bern, the Institute for Development Studies (IUED), and the Swiss Development Corporation for this occasion I have to speak here. First of all I want to say it is a very great honour for us to have the Nobel Prize, Doña Rigoberta, in our little Republic of Geneva. It is a very great honour and I thank you very much to be with us and to thank you for what you just said a moment ago and thank you again for your hospitality in Guatemala when you received us, me and my colleagues in such a generous way, thank you again. And Professor Lipietz it is naturally also an honour, a great honour for me that you came from the European Parliament from Brussels.

The Human Rights Council of the United Nations is in Session at the 'Palais des Nations' so I was not able to follow your discussions during the first part of the conference. But Stephan gave me all the documents. I was impressed by the richness of the topics. He asked me to comment on your work in the perspective of my own work in the United Nation. I will therefore comment on the core thesis of this very important International Conference, which is the promotion of biocultural diversity as a centrepiece of sustainable development.

First of all the development strategies of the United Nations and of the Western powers are exactly contrary, contrary to the promotion of cultural diversity and the development of autonomous memory, of the autonomous consciousness and of a development based on self-determination. Here I want to depict the violence, the great violence, which is daily inflicted on indigenous people of the traditional cultures, of traditional memories of the people of the world through the neoliberal strategy of the so-called 'development'.

I start with one example that I know best, which is the hunger in the world. I am the 'Special Rapporteur on the Right to Food' named by the secretary general of the UN and it is in regard to this topic that you already see the total absurdity of the actual world order: One hundred thousand people are dying of hunger or its immediate consequences every day. Last year every seven seconds a child below ten years died of hunger. Last year 852 million people, one person out of six, of this planet, was gravely and permanently undernourished and the number of victims is growing.

In the last World Food Report of the FAO, which comes out every year, the number of the victims is given; but it also says that the world agriculture in the present stage of development of its production forces could nourish 12 billion people when calculating with 2700 calories per adult person/per day. This means we could feed

almost the double of the actual world population. There are 6.2 billion people in the world today. FAO says 12 billion could be nourished normally according to the criteria of the World Health Organisation by the agriculture as it is today, without using GMO etc.

So, there is absolutely no reason for fatality; there was in the past, but there is no fatality whatsoever for somebody to die from hunger today. A child who dies from hunger now while we are speaking here – and many will be dead before this day is over – a child who dies from hunger today is assassinated. The Vice-President of Guatemala, Eduardo Stein, told us that last year in Guatemala – with a per-capita income of over 5000.- US\$/year, which is a rich country according to the World Bank statistics – 92'000 children below the age of ten died from Hunger or its consequences.

So we are in this totally absurd situation which is a consequence of the globalized capitalistic world organization. I outline it a little bit schematically and very quickly. I also summarise the material strategy and then the ideological strategy, the theory of legitimation.

The growth of wealth and misery

When we speak of globalization I think there is a beginning which is August 1991. August 1991 when the Soviet Union imploded; it was a good thing in my view. They were communist like I am Buddhist, you know. But still it was a bipolarity of the world order and the capitalist production modus was regionally limited to the West. In few years this specific production modus and economic system conquered the whole world. It installed a central regulatory agency, which is the world market through the stock exchanges and related regulatory bodies. One type of capital became autonomous – the financial capital – and a unique cyberspace was created for trading with it.

At first sight the globalization works. It works because – according to the World Bank statistics between 1992 and 2002 – it was the first decade in which the world gross-product almost doubled. The world-trade tripled, to an exchange of over 6000 billion Dollars a year. And the consumption of energy doubles every four years. I think for the first time, humanity came out of the reign of necessity to the reign of abundance, for the very first time. And at the same time tragically happened what we call the 're- feudalization of the world'. These immense riches were captured and monopolized by a group of oligarchs who dispose worldwide of the financial capital (I will give you some figures right away) and who monopolized this incredible riches. So, on the one hand we have an incredible increase of richness – the world gross product includes all the capital, goods, patents and services produced in one year on the planet – and at the same time an immense increase of misery.

Looking at the social indicators of the United Nations, e.g. such as the WHO figures for epidemics or the UNICEF figures of the existential conditions of children etc., all these indicators are very dramatic.

Last year, according to the World Bank statistics, the 500 biggest private transcontinental corporations controlled 52 percent of the world's gross product, which means 52 percent of all the richness produced in the year throughout the

planet. This represents an incredible monopolization of economic and naturally political, social and ideological power. And these multinational companies – let me take Nestlé as an example, which is the 27th biggest company in world – because it is just up the lake here. It is the biggest bottled water and food trust in the world, with 275'000 employees, it is controlling over 8000 brands and is active in 118 countries. It has a capitalization at the stock exchange of 107 billion dollars and the net profit last year was 6,4 billion dollars; you see they have an immense power. Nestlé, like any other transnational company – and this is normal, it is not a moral judgement to condemn, (there are many Calvinists here in this institute) – has one strategy and that is maximization of profit; maximization of profit and return on capital. And, if they don't produce this increasingly all the time Peter Brabeck, will be removed as CEO of the company.

So transnational companies they don't work in a normative way, they cannot, they do a lot of things, they have an immense capacity of instrumental creations. In Basel the pharmaceutical industries of NOVARTIS and Roche etc. they create a new molecule every fortnight. At Wallstreet a new financial instrument is born every two weeks. I mean they have an immense material, instrumental, intellectual and scientific power, which as such is very good. But when it comes to applying this economic power worldwide, it results in the strategy of profit maximization. So you can see why misery, the pyramid of the martyrs grows at the same time as the curb of the profit goes up.

The theory that is legitimating this cannibalistic world-order is the so-called *neoliberalism*; to be more precise, it is the 'consensus of Washington'. The consensus of Washington was the result of a series of gentlemen-agreements between Wallstreet bankers and the Bretton Woods Institutions (World Bank, International Monetary Fund, and the US-Treasury Department), which was finally was conceptualized in the famous book of John Williamson. Essentially the consensus of Washington says four things: Liberalization, Privatization, Macroeconomic Stability and Budget Reduction.

- *Liberalization*: The thesis is: if you liberalize or abolish all the frontiers, all the normative power of the states, of unions etc. then the capital at every moment goes there, where it achieves a maximum of profit, hence richness goes up.
- *Privatization*: If you privatize, do away with every public sector, with barriers of national states, with any territorial limitation to the movement of capital, of goods, of patents and of services and submit all human activity to the principal of profit maximization then again richness goes up.
- *Macroeconomic stability*: Doesn't need any special actions; it will be resulting 'from alone'
- *Budget Reduction*: entails the reduction of the normative power of the public corporations of the state etc.

This is the consensus of Washington, which is the theory of the legitimacy of this cannibalistic world-order. You see we are at the complete opposite of your declaration. It is the absolute negation of biocultural diversity; they have the power. Neoliberalism is, like Bourdieu always said, like AIDS: it first it kills the immune system of the victim and then it kills the victim.

The 'naturalization' of market-economy

So one of the main points of the neoliberalism is the "The Market is a Producing Natural Law". It does not function through human will or by class struggle or whatever it is, but through the over-determination by the 'invisible hand of the Market'. Economic laws are natural laws. The Swiss Private Banker observes the movement of capital just like an astronomer observes the Universe. He looks upon the movement of the capital as a Natural Law. It is not meant to be funny; I sometimes talk to private bankers. I once said to one of them "look at the flight capital of Mobutu for instance. The Democratic Republic of the Congo is sinking down in misery, in destruction and Mobutu, who reigned in this country for over 37 years has 4.2 billion dollars in the Swiss banks, why don't you just give that money back?" So first he answered: "Yes, I know, I have a cousin who is missionary there..." (no, they have lots of missionaries in the Calvinist families) "... in Tibu and he says exactly what you say, there is a terrible situation in Congo". Then I said "Yes, so you know, then why don't you give the money back". Then he looks at me completely shocked. "Well, I cannot interfere in the movement of capital. How could I interfere in the movements of capital?" That's the naturalization of the so-called world-market as a Natural Law.

I rapidly want to give you two examples of how this works. The consensus of Washington has two mercenary organizations. Not only the transcontinental organizations but they have interstate organizations at their service. They are the World Monetary Fund (WMF) and the World Trade Organization (WTO). The WMF is in Washington and the WTO is at 300 meters from here. The WMF is administrating the foreign debts of the 122 so-called Third World Countries. This debt last year (end of 2005) amounted to 2100 billion dollars; it is immense and completely strangling the countries. Take for instance Niger, take Sierra Leone, Honduras, Bangladesh. Or even take Brazil, which has the second largest foreign debt of all, after Mexico. The debt is strangling and the WMF has the power to impose its policy to the indebted countries. So I give an example for them. The WTO is handling the exchange of goods, the universalization of patents, the exchange of services all over the world; that is their competence.

I will give two examples from Africa. One regarding imposed solutions so that you can see what happens in these countries. In Niger – the second poorest country in the world on the Human Development Index of the UNDP – they had a National Veterinary Office since the French colony until three years ago. Niger has an extension of over one million square kilometres. It is an incredible country with a number of very important civilizations like the Haoussa, Djerma-Songhai, Tuareg, Peulh, Toubou and Kanouri. Very old and beautiful civilizations and the people live mainly of cattle. All in all between sheep, zebus, camels etc. there are over twenty million heads of cattle. So, the National Veterinary Office is absolutely central for the survival of these civilizations. Until three years ago the National Office of Veterinary Medicine gave out at very, very low prices the vaccines, vitamins, antiparasitic drugs, everything you need in this very harsh climate to maintain the herds in good health. There are also beautiful ceremonies and the Peulh-Bororo culture is anthropologically one of the most impressive and beautiful civilizations whose livelihood is based on cattle.

The WMF came and told the Prime-Minister who is a Peulh “Hama Amadou, you have to privatize the National Veterinary Office because subsidizing the drugs is against the logic of the market”. They had to do it because they are heavily, heavily indebted. Now, three years later, we went back with Christoph. Now you have tens of thousand of herder families, of semi-nomadic and nomadic families who lost everything because they cannot pay the prices of the private transnational companies; or when they buy these drugs they are already spoilt when they come to Niamey because Niamey, the capital of Niger, is a thousand kilometres from the Atlantic. You take any port you want, Abidjan, Dakar, Lome it is always at least 1000 kms by road to Niamey. So, many, many of these vaccines and drugs are already spoilt before they get to Niamey. As a consequence tens of thousands of cattle died because the families did not have the money to buy the vaccines. And now this beautiful pastoral culture, with hundreds and thousands of years of experience, now they are crumbling because a bureaucrat in Washington decided that the National Office of Veterinary Medicine has to be privatized.

Now when you are in Niamey, in Bamako (Mali), in Agadez or in the Emirates of Northern Nigeria you have thousands of Djerma-, Peulh- and Haoussa-families who are completely proletised. This is an expression of violence, of destruction, not only of physical life but of collective identity, of collective consciousness, of collective memory.

The second example concerns the WTO: Last year, the industrialized states in the OECD paid their peasants in Europe, the United States etc. 349 billion dollars – almost one billion a day – of subsidies for production and exportation. So today in African markets for instance the Sandaga Market, – it is incredible, I think it is the biggest Market in Western Africa, the Sandaga in the heart of Dakar – there you can buy for two thirds or sometimes even half the price of equivalent autochthonous, indigenous products, fruits from France, vegetables from Italy or Portugal etc. at these dumping prices, because they are subsidized.

But not only the production is subsidized, there is a second category of subsidies for exportation. If you go by cab for ten kilometres and you will see the African peasant working fifteen hours a day under the burning sun with his whole families, working like nobody would ever work in Europe and he has not the least chance to come to a minimal existential level. Out of 53 countries on the Continent and the Islands belonging to Africa, 37 are almost purely agricultural countries. So sub-nutrition in Africa went up from 1970 to 2001 from 88 million people to 202 million people. And when you switch on your television (I hope you don't do it too often, but if you do it by accident once) you will see the boats of refugees coming from Mauritania, from Senegal over 2500 kilometres to the Canaries. Between January and June 2006 the Spanish authorities only from the Canary Islands have sent back over 13'000 people. They are fishermen and peasants from Sub-Saharan-Africa who, instead of dying from hunger or being destroyed tried with a last effort of their whole family and of their village, to reach this miraculous Europe. Many more who try do not succeed. According to the Spanish authorities thousands of people died on the way to our continent.

The dumping price policy of WTO was discussed in Hong Kong during the last World Trade Conference and the decision was taken to reduce the subsidies until 2013. Now, the Doha-Round stopped, however, because several countries objected and

there are no negotiations going on here at the WTO anymore. This dumping policy goes on, African agriculture gets daily more and more destroyed and with the African agriculture incredible civilizations are being destroyed, which will never come back again; once a Djerma is in the slum without cattle, without nothing the result is very often suicide of the men, child prostitution, humiliation, illiteracy, hunger short a destruction of the civilizations is going on because of the policy of the World Trade Organization.

Where is hope?

Where is hope in all this? At the Socialist International Willi Brandt always told us: "whenever you speak in public, whatever you say, at the end you have to give hope. So even if it is almost impossible to give hope I can say there is hope, there is a new – as Doña Rigoberta expressed it – there is new resistance. In Guatemala it is incredible, what you lived through. I mean, until only ten years ago thousands and thousands of Mayas were killed and Rios Mont is still there, sitting in Parliament. Fortunately Lucas Garcia died but too late. It is ten years only of this fragile peace now but in spite of what the Maya people suffered (in Guatemala 85% of the population are Maya) assassination, rape everything an incredible martyrdom.

But, they are there! They are fighting against the latifundium. In Guatemala once cannot speak about land reform, it is not possible but now at least you have a land register. Before the "latifundistas" with their "pistoleros" they pushed their frontiers, whenever they wanted land from the Mayas, of the traditional land; they chased away the people by force from their lands although in Guatemala the "latifundistas" already own 75% percent of the land. Now the people through their fight at least obtained a land registration law. Now the land limits have to be a registered. So there is hope in this incredible vitality of the traditional culture and of the awakening of the consciousness in the Western world. In the Western world there is Attac (the alter-globalisation movement), there is Greenpeace, there are social movements, there is the World Social Forum of Porto Alegre, which has now been decentralized and which gives incredible hope. You know, a mysterious brotherhood of the knights is coming into being and this conference is witness of this I am very happy to be here.

I would like to finish with a saying of Bernanos, a French novelist "Dieu n'a pas d'autres mains que les nôtres" which means "God has no other hands then ours". So either we change this world or nobody will do it. Thank you very much!