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Thiruvananthapuram

Alert !!

Doha Round is detrimental to Kerala's interest

Kerala Government has made a strong statement on the Agriculture and NAMA Negotiations of the WTO

In a note sent to the Ministry of Commerce of the Government of India in January, it has demanded "*India should not commit itself to any end date for further reduction in bound tariffs from their current levels, as it does not stand to benefit the farmers of the country*". In a detailed analysis of each crop that would be affected by the negotiations and any decision to further reduce tariffs, it has argued "*the State... does not stand to gain even if the Doha Round of negotiations is completed*". This is quite contrary to the Government of India's agenda of speeding up the Doha Round, claiming that India (and the G-33 countries) would stand to lose if the Doha Round of talks at WTO fail.

In the analysis, supported with facts and trade statistics, it has concluded "*ever since trade liberalisation was introduced and quantity restrictions on imports lifted in 2001, the State of Kerala has got a raw deal*". It has clearly brought out how farmers and our performance in the market have been affected with declined agri-exports, increased imports, high volatility of domestic prices, and the eventual disaster of farmer suicides.

It has demanded that bound tariff rates be maintained for coconut, copra, desiccated coconut, oil cake, pepper, cardamom, vanilla, arecanut and roasted coffee at 100% and for tea and decaffeinated coffee at 150%. It has also asked for increase of applied tariff rates for coconut products (from 15% to 100%), pepper (50% to 70%), vanilla (30% to 100%) and arecanut (total ban of imports).

The State has also argued clearly that all its important products - coconut, coconut oil, copra, desiccated coconut, pepper and value added pepper products, vanilla, arecanut, cardamom, nutmeg, turmeric, ginger, tea and coffee be treated as Special products on grounds of livelihood security and rural development needs. It has also opined that some of these products – cashew kernels, pepper, ginger, turmeric, cardamom, natural vanilla, tea, coffee beans, copra, oil cake of copra, nutmeg, crude soyabean oil, crude palm kernel oil and crude palm oil be covered under the Special Safeguard Mechanism.

It has categorically refused to fall into the trap of "Sensitive products" stating that "*The State is not in favour of classifying its livelihood crops under the category of sensitive products and allow import quotas on them at reduced rate of duty*"

In the NAMA Agreement, Kerala has demanded protection for a number of Natural Rubber products, Coir and Coir products and Fish and Fish Products.

Now, it is understood that efforts are being made by the Commerce Ministry to work with some of the stakeholders (like the plantation sector), by proclaiming huge funds for re-plantation of senile plantations of many of these crops. Rs. 2900 crore seems to have been declared allotted. But these are clear eyewashes, as except for rubber, none of the products in Kerala has ever demonstrated a higher productivity or vigour in the International market, whether it be in price competitiveness or quantity. The only saving grace, of some of our products is the quality (like the Malabar Pepper and Alleppey Cardamom etc).

The US wants to complete the negotiations by June. So the Central Government led by the Commerce Minister Mr Kamalnath and his deputy Mr Jairam Ramesh and the Commerce Secretary Mr Gopalakrishna Pillai, is all set to see, under immense pressure from the US trade representatives and the Indian Prime Ministers Office, where the trade off can be done. So, in the final bargain, if India and its industrial giants can gain at the cost of the livelihoods and lives of more than 1.5 crore Kerala farmers, they would probably take the risk and see how the sufferings of Kerala farmers can be minimized. This would be in the form of special packages for plantation sector through horticultural mission or some more relief packages and special task forces and committees etc. It could also be as frequent placating visits from the Ministry, which they expect would blind us till the final agreements and signatures are made.

Now is the time Kerala has to respond in one voice and in good strength. If issues like Cauvery and Mullaperiyar are life lines for the Karnataka and Tamil people, their elected representatives both in the Assembly and the Parliament make such a noise and act as one massive pressure group, going to any extent (even hooliganism) to protect their rights and their people. But in Kerala, our responses are always weak, confused and muffled.

But the Doha Round is a death line.

We have to stop it or we stand to lose as a State. So, it is high time that this strong position that Kerala has taken be made into a public discussion. The Kerala Legislative Assembly should start this discussion with a special emergency session, and come out with a motion in this month itself. Our parliamentarians should also ensure in one voice that the lives of the Kerala farmers will not be compromised for the gains of the American and Indian industrial giants.

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