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## 1. Fiji trade-off? Another reason to scrap a Pacific Trade Agreement
Adam Wolfenden
Published Online Opinion, Samoan Observer

The suspension of Fiji from the Pacific Island Forum also suspends it from discussions regarding a Pacific trade agreement, discussions that should be put on ice regardless.

This week Australian and New Zealand trade officials will be meeting with their Pacific counterparts to discuss the Pacific region trade agreement, known as PACER. These informal meetings are aimed at moving towards announcing the formal negotiation phase later this year. But what does it mean for these talks to have an empty seat behind the name-tag "Fiji"?

If you would believe the Australian Government, a Pacific trade agreement is a road to economic prosperity led by the good spirited Australian and New Zealand governments. It's an agreement that will assist the Pacific Island nations to more successfully compete on the global economic stage. It's a gift to the Pacific if you will.

This road to supposed economic prosperity however looks rather rocky. While Australian Trade Minister Simon Crean will happily state that an agreement would increase trade in the Pacific by 30 per cent, what's not stated in whose favour this will be. In fact the feasibility study that delivered this figure is unable to say just how much of that will favour the Pacific.

A reasonable guess would say not that much. Dr Narsey from the University of the South Pacific predicts that under a Pacific trade agreement three quarters of Pacific manufacturing would close down, resulting in the loss of thousands of jobs. An odd road to prosperity one would think.

Then there's the loss of government revenue from any agreement. A separate report by the Pacific Islands Forum Secretariat released last year showed that Pacific governments stand to lose tens of millions of dollars in government revenue - money that is needed to provide essential services. Under a trade agreement Vanuatu and Tonga would have the task of making up 17 per cent of their government revenue that would be lost from lowered tariffs.

This would most likely be through higher consumption taxes for general populations that still exist on the periphery of the cash economy.

For many Fiji is the heart of the Pacific. It is not only the second biggest economy in the region providing an economic base for many, but has always played a central role in Pacific affairs, even housing the Forum that it has now been suspended from. A Pacific trade agreement with Fiji is a regional agreement without its economic heart.

The absence of Fiji at the table has not deterred Australia and New Zealand. So committed to the idea of a Pacific trade agreement that they are willing to push forwards without such a vital economic pillar, and maybe for their own good reasons.

Fiji is somewhat of a prize for investors in Australia and New Zealand, gaining better access to Fijian markets could prove rather lucrative. At a recent informal meeting of trade ministers in New Zealand, the invitation sent to Pacific Ministers outlines the New Zealand concerns that it would not have been "appropriate" to invite Fiji. However, it still outlines a desire to "explore views on how to engage with Fiji on trade issues in relation to PACER PLUS". Despite the moral outrage at the political situation in Fiji, one ear continues to remain open to the economic opportunities that exist.

Fijian elections aside, Australia and New Zealand are still looking to pry Fijian markets open, so how these countries "engage" remains to be seen. By pushing forwards with negotiations, any decisions made could automatically apply to Fiji if they decided in the future to enter into such regional agreement. But by no longer having a seat at the negotiating table Fiji may have lost its chance to negotiate itself a better outcome.

The very fact that Pacific countries are at the table itself is more a gesture of good will than a desire to sign an agreement. Only Papua New Guinea and Fiji are obliged to offer consultations with Australia and New Zealand after the threat of losing some preferential market to the European Union saw them bullied into initialling trade agreements with the European trading bloc. The rest of the Pacific nations are engaging in the informal talks as a sign of good faith, something the regions big brothers seem to be abusing.

Already Pacific counties are feeling the pressure to sign up to negotiations. New Zealand has recently announced a desire to follow Australia and ensure that its aid dollars to the region help shape the trade agenda. Both governments see their aid agencies as integral to ensuring that free trade policies are implemented by funding among other things, trade infrastructure and trade negotiators. Small, aid dependent Pacific countries could understandably be cautious of biting the hand that feeds.

It's in this environment that these informal talks need to be viewed. While they aren't official negotiations they act as a convenient avenue to once again pressure Pacific countries into an agreement. The Australian Government may very well say that Pacific governments don't have to undertake negotiations or even sign onto an agreement but that's an easy position to take when you hold the purse strings.

The absence of Fiji, however, doesn't change the fact that a PACER agreement offers very little if anything for the Pacific countries. Once again old ideologies and interests are determining Australian policies towards the region and it would be naïve for Pacific countries to think that their interests align with their big brothers.

If Australia and New Zealand are interested in promoting development in the Pacific they need to take a backseat. Long champions of neo-liberal economics, they need to realise that they were wrong. They now need to work with and listen to Pacific countries to build a future that reflects the desires of the communities of the region.

## 2. The Cure for Layoffs: Fire the Boss

Naomi Klein and Avi Lewis
First Published in The Huffington Post

In 2004, we made a documentary called The Take about Argentina's movement of worker-run businesses. In the wake of the country's dramatic economic collapse in 2001, thousands of workers walked into their shuttered factories and put them back into production as worker cooperatives. Abandoned by bosses and politicians, they regained unpaid wages and severance while re-claiming their jobs in the process.

As we toured Europe and North America with the film, every Q&A ended up with the question, "that's all very well in Argentina, but could that ever happen here?"

Well, with the world economy now looking remarkably like Argentina's in 2001 (and for many of the same reasons) there is a new wave of direct action among workers in rich countries. Co-ops are once again emerging as a practical alternative to more lay-offs. Workers in the U.S. and Europe are beginning to ask the same questions as their Latin American counterparts: Why do we have to get fired? Why can't we fire the boss? Why is the bank allowed to drive our company under while getting billions of dollars of our money?

Tomorrow night (May 15) at Cooper Union in New York City, we're taking part in a panel that looks at this phenomenon, called Fire the Boss: The Worker Control Solution from Buenos Aires to Chicago.

We'll be joined by people from the movement in Argentina as well as workers from the famous Republic Windows and Doors struggle in Chicago.

It's a great way to hear directly from those who are trying to rebuild the economy from the ground up, and who need meaningful support from the public, as well as policy makers at all levels of government. For those who can't make it out to Cooper Union, here's a quick round up of recent developments in the world of worker control.

Argentina:

In Argentina, the direct inspiration for many current worker actions, there have been more takeovers in the last 4 months than the previous 4 years.

One example:

- Arrufat, a chocolate maker with a 50 year history, was abruptly closed late last year. 30 employees occupied the plant, and despite a huge utility debt left by the former owners, have been producing chocolates by the light of day, using generators.

With a loan of less than $5,000 from the The Working World, a capital fund/NGO started by a fan of The Take, they were able to produce 17,000 Easter eggs for their biggest weekend of the year. They made a profit of $75,000, taking home $1,000 each and saving the rest for future production.

UK :

- Visteon is an auto parts manufacturer that was spun off from Ford in 2000. Hundreds of workers were given 6 minutes notice that their workplaces were closing. 200 workers in Belfast staged a sit-in on the roof of their factory, another 200 in Enfield followed suit the next day.

Over the next few weeks, Visteon increased the severance package to up to 10 times their initial offer, but the company is refusing to put the money in the workers' bank accounts until they leave the plants, and they are refusing to leave until they see the money.

Ireland:
- A factory where workers make legendary Waterford Crystal was occupied for 7 weeks earlier this year when parent company Waterford Wedgewood went into receivership after being taken over by a US private equity firm.

The US company has now put 10 million Euros in a severance fund, and negotiations are ongoing to keep some of the jobs.

Canada:

As the Big Three automakers collapse, there have been 4 occupations by Canadian Auto Workers so far this year. In each case, factories were closing and workers were not getting compensation that was owed to them. They occupied the factories to stop the machines from being removed, using that as leverage to force the companies back to the table - precisely the same dynamic that worker takeovers in Argentina have followed.

France:

In France, there's been a new wave of "Bossnappings" this year, in which angry employees have detained their bosses in factories that are facing closure. Companies targeted so far include Caterpillar, 3M, Sony, and Hewlett Packard.

The 3M executive was brought a meal of moules et frites during his overnight ordeal.

A comedy hit in France this spring was a movie called "Louise-Michel," in which a group of women workers hires a hitman to kill their boss after he shuts down their factory with no warning.

A French union official said in March, "those who sow misery reap fury. The violence is done by those who cut jobs, not by those who try to defend them."

And this week, 1,000 Steelworkers disrupted the annual shareholders meeting of ArcelorMittal, the world's largest steel company. They stormed the company's headquarters in Luxembourg, smashing gates, breaking windows, and fighting with police.

Poland:

Also this week, in Southern Poland, at the largest coal coking producer in Europe, thousands of workers bricked up the entrance to the company's headquarters, protesting wage cuts.

US:

And then there's the famous Republic Windows and Doors story: 260 workers occupied their plant for 6 world-shaking days in Chicago last December. With a savvy campaign against the company's biggest creditor, Bank of America ("You got bailed out, we got sold out!") and massive international solidarity, they won the severance they were owed. And more - the plant is re-opening under new ownership, making energy-efficient windows with all the workers hired back at their old wages.

And this week, Chicago is making it a trend. Hartmarx is 122-year old company that makes business suits, including the navy blue number that Barack Obama wore on election night, and his inaugural tuxedo and topcoat.

The business is in bankruptcy. Its biggest creditor is Wells Fargo, recipient of 25 billion public dollars in bailout money. While there are 2 offers on the table to buy the company and keep it operating, Wells Fargo wants to liquidate it. On Monday, 650 workers voted to occupy their Chicago factory if the bank goes ahead with liquidation.

### 3. 'Food Colonialism' Increasing Hunger in Africa

By Michael Davies-Venn,
Article originally appeared in Modern Ghana

The European Union is coercing some West African governments into allowing European-based fishing companies to deplete West Africa's fishing stocks in a new "food colonialism" that is now taking place between rich and poor countries around the world, according to British author George Monbiot.

"We have a particularly stark example of this in Europe, where since the 1960's fishermen from the European Union have been going down to West Africa and plundering the fish stocks there, and this has disastrous impacts on the people of West African countries," Monbiot said at a recent engagement on world hunger at the University of Alberta in Canada.

When the Senegalese government banned European fishing boats in its territorial waters, French and Spanish fishing companies, in particular, resorted to new tricks by using Senegalese boats, hiring subcontractors and claiming national status.

"Now the European Union has told the government of Senegal and some of its neighbors that they must allow this to continue to happen," Monbiot stated. "In fact they must allow these people to register as if they were nationally-owned companies, if this economic partnership agreement with them is to go ahead and they have any economic benefits at all dealing with the European Union. ... So it's straightforward food colonialism, except in this case it's carried out not with gun boats at sea ports, it's carried out by lawyers and checkbooks."

The EU has strict fishing policies, which punish individuals and companies by levying huge fines, limit the catch by member countries, and regulate fishing methods. But it would appear the EU has a different set of policies for West African governments.

According to Monbiot: "These governments are coming under an immense amount of pressure to continue, more or less, giving up their own fish stock and starving their own people, so that in Europe we don't have to confront our fishing lobbies which are very powerful political lobbies, or run out of fish because we've so exploited our own stocks that they're collapsing left, right and center. ... We're snatching food out of the mouth of the poor in order not to deal with our own consumption."

Monbiot, who was participating in a series of events organized to highlight the plight of starvation around the world, also said certain Middle Eastern countries have been making arrangements with some African nations that would ensure food security for their nationals.

"The very rich oil states have been striking secret bilateral treaties with some African nations such as Sudan and Ethiopia where they've in effect leased very large areas of land, farms of a hundred thousand acres or more, over which they now have exclusive control, so that come what may, whether or not there's famine in these countries, they would still be able to export food to their own countries," he said. "It’s another very brutal form of food colonialism."

A United Nations Global 500 Award recipient for outstanding environmental achievement, Monbiot suggested that claims of insufficient food in the world are wrong.

"A roughly similar number of people suffer from obesity as those from malnutrition," he said. "We produced more food about the same time that we saw a global food crunch of a kind bigger than any we’ve seen in 25 years hitting communities around the world."

France’s Lappe Moore, co-founder of Food First, also known as the Institute for Food Development Policy, agreed with that view.

"The scarcity claim lacks credibility," he said. "In the last few years, food production has kept well ahead of population growth. The crisis has nothing to do with the real capacity of the Earth to feed us, but has everything to do with our mystified notion of the market and our disempowerment to make an economy that’s democratically accountable."

The UN reported that soaring food prices pushed 963 million people into hunger last December, which is more than the combined population of the United States, Canada and the European Union.

"The harvest of the preceding year following the global recession was actually the world’s record highest - 2.1 billion tons of grain, a five percent increase on any previous annual yield," Monbiot said. "But only one billion of that went to feeding human beings. Where did the rest go?"

According to Lappe and Monbiot, some of that food which was produced during the same period that the world was experiencing a "food crunch" was used to produce biofuels.

"That was a crime against humanity," Monbiot posited. "And the continuing use of grain to turn into fuel is an ongoing crime against humanity, which anyone with humanitarian instincts should oppose as vigorously as possible."

But using food to feed cars does not come close to an even greater apparent misuse of food.

"By far the greatest alternative use of what could otherwise be food was something else, something which accounts for 14 times the total global food deficit, which took up in total 760 million tons of grain last year, wasn’t food it was feed," Monbiot said. "The rate of growth among livestock is faster than that of humans. The food used to raise livestock in about 30 years will out-strip the amount of grain used to feed human beings. This is a humanitarian and environmental disaster."

Food consumption, according ot Monbiot, especially in North America where on average a person eats 4 lbs of meat a week, is unsustainable. "And in consuming these levels of food we’re snatching food out of the mouth of the poor," he said. "We’re in effect killing people by eating meat, because we’re causing people to suffer from malnutrition, and malnutrition kills."

Starvation in developing countries was made worse, according to Lappe, when investors in the United States pulled money out of the sub-prime mortgage crisis to invest in commodities, contributing to the over 50 percent increase in food prices between 2007 and 2008.

"In 2007 Archer Daniels made a 65 percent increase in its profits," he said. "The biggest part of that was from its financial division which has nothing to do necessarily with its trading of commodities, but rather the speculative game it was playing through its financial division on the volatility of food prices."

Lappe, whose book "Diet for a Small Planet" has sold over three million copies worldwide, said the requirements on poorer countries to reduce spending on agriculture, liberalize trade and allow "unfettered imports," while "we in the global north did not follow the same," is also a source for starvation.

"So what we see, from the Philippines to Haiti and elsewhere, are countries that were once largely food self-sufficient - the Philippines, for example, which was a major rice producer is now the leading importer of rice," he said.

Monbiot suggested a direct connection between "feast and famine," arguing that "our feasts cause other peoples' starvation." He continued that, "a sweeping and radical transformation of our economies, technologies, politics and the ways in which we live" is needed to save the 25,000 people who the UN has indicated die daily from hunger and related causes.

source: Modern Ghana

**4. WTO Update**

The Director General of the WTO, Pascal Lamy, has indicated his interest in hosting a full Ministerial in late November, just a week before the UNFCC Copenhagen talks. Lamy, has said that this Ministerial wouldn't necessarily be aimed at concluding the latest round of world trade talks, the Doha Round, but focussed on general WTO operations. Despite this, many see any Ministerial as a chance to pressure an agreement on the Doha Round. Whilst the Ministerial may not happen, the proximity to the Climate Change talks is an ominous sign and definitely not just a coincidence.

Australia continues to push ahead for a conclusion of the WTO Doha Round. In June 7 – 9 it will be involved in a Ministerial of the Cairns Group, a WTO group aimed at targeting subsidies for agriculture.

**5. FTA Update**

Pacific Trade (PACER)

New Zealand hosted an informal trade ministers meeting for PACER countries (except Fiji) on May 9 ahead of the informal officials meeting the following week. There were no big breakthroughs in moving PACER forward and it is understood that there was no change in any positions. Australia announced though that it would commit to providing more money for a Chief Trade Advisor role for the Pacific.

The next big event is the trade officials meeting in June 22-26 and the Trade Ministers meeting June 29 – July 2 which will be discussed at the NGO meeting next week.

China

Lead Negotiator for the China FTA, Ric Wells, has moved to Deputy Secretary for the department, further slowing the already slow talks.

**6. National Climate Emergency Rally 13 June 2009**

For more details about the rally in your major city see: www.climaterally.org.au

The National Climate Emergency Rally is an initiative of Australia's Climate Action Summit when over 140 community climate groups came together in Canberra in February 2009 to plan community action on climate change. There will be rallies in Melbourne, Adelaide, Perth, Brisbane, Canberra and Hobart on the same day.

Why rally?

Countdown to Copenhagen

In December 2009, governments of the world will meet in Copenhagen to forge a critical new global climate change agreement. This is our chance to secure strong global action to cut emissions in time to avoid catastrophic climate change. The global financial crisis presents a golden opportunity to change direction and embrace a 'green new deal' to save the planet and the economy.

Join thousands of Australians to stand up for real and urgent action!

We need:
1. 100% renewable energy by 2020
Australia must shift to 100% renewable energy from wind, solar and other existing technologies within a decade.

2. Green collar jobs with a just transition for workers
We can renew our economy by creating hundreds of thousands of 'green jobs' and supporting workers to make the shift to sustainable industries.

3. A strong international agreement with climate justice for all
Australia must take the lead in global climate talks, not undermine them with an ineffective 5%-15% target. We must support our Pacific neighbours and other developing countries, who are least responsible for climate change.

4. A climate policy that makes big polluters pay
The Government's draft Carbon Pollution Reduction Scheme must not become law in its current form. It would allow big companies to go on polluting and won't reduce Australia's greenhouse pollution
Get involved

Help promote the event: visit www.climaterally.org.au and find the contact point for your nearest rally.

**7. “Our Futures, Our Land": a photographic exhibition highlighting the importance of land to the Melanesian peoples of Papua New Guinea and Vanuatu.**

Thursday 18th June 6:30pm
Chrissie Cotter Gallery, Pidcock Street, Camperdown
Entry by donation.

Speaker: Mark Davis – Award Winning Video Journalist (TBC), Photographic Auction, Drinks ‘n’ Nibbles.

“Our Futures, Our Land” is a fundraiser to support AID/WATCH’s collaborations with Melanesian groups fighting for control over the future of their land.

Contact: AID/WATCH 02 9557 8944 or lara@aidwatch.org.au