

TORONTO STAR

June 13

Editorials

Half a solution for the hungry

At the economic summit in Venice this week, leaders of the world's industrial nations — egged on by Prime Minister Brian Mulroney — talked about agriculture. The final communique spoke of a growing imbalance in supply and demand for agricultural products and called for "a concerted reform of agricultural policies (to) be implemented in a balanced and flexible manner."

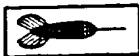
But it was Canadian Wheat Board Minister Charlie Mayer who gave the subject a sense of urgency. At another international meeting this week — of the World Food Council, a United Nations advisory body, in Beijing — Mayer noted what he called an "obscene paradox:" Food stocks are being destroyed and food production is being curtailed in some parts of the world, while in others 40,000 children die each day of hunger-related causes and there are more than 5 million malnourished people.

The leaders in Venice endorsed an agreement reached earlier by members of the Organization for Economic Cooperation and Development calling for an end to agricultural subsidies, especially in Europe and the United States. These subsidies encourage overproduction of farm products and distort market prices. The only subsidies tolerated by the agreement would be for farmers, not for crops.

But eliminating agricultural subsidies in the western world is only half the solution to the imbalance of supply and demand mentioned in the Venice communique. Equally important, as Mayer argued in Beijing, is for the developed nations to lower their trade barriers so that Third World countries may sell their goods and earn the money to buy food for their hungry peoples.

In Venice, Western leaders acknowledged the importance of more liberal international trade. In the words of the communique: "Protectionist actions would be counterproductive, would increase the risk of further exchange rate instability and would exacerbate the problems of development and indebtedness."

Fine words, those. What's needed now is firm action internationally, through the General Agreement on Tariffs and Trade, currently in a new round of negotiations, and by individual governments. In Ottawa, instead of being mesmerized by a bilateral free-trade agreement with the United States, the Mulroney government needs to do more to expand our trade with the whole world and especially that part of it where people are hungry and malnourished.



U.S. President Ronald Reagan. For telling a post-summit news conference in Venice that "there could still be some lowering of the value (of the U.S. dollar) in relation to other currencies." The statement, which was at odds with the official summit communique, caused the dollar to plunge in foreign exchange markets until Reagan's aides put out the message that the President didn't really mean what he said. It's certainly possible that Reagan misspoke himself.