Agriculture, trade negotiations and gender

Agriculture, trade negotiations and gender

Prepared by

Zoraida García

with contributions from
Jennifer Nyberg and
Shayma Owaise Saadat

FAO Gender and Population Division

A contribution of the FAO Gender and Population Division to the UN interagency publication on *Gender and Trade: Challenges and Opportunities, 2004*.
In collaboration with the FAO Trade and Commodities Division.

Food and Agriculture Organization
of the United Nations

Rome, 2006

Contents

Abbreviations and acronyms

ACP	African, Caribbean and Pacific Group of States
ADB	Asian Development Bank
AGOA	Africa Growth and Opportunity Act
AoA	Agreement on Agriculture
ARCC	Coffee and Cocoa Regulatory Authority (Côte d'Ivoire)
ATC	Agreement of Textiles and Clothing
CAFRA	Caribbean Association for Feminist Research and Action
CAFTA	Central American Free Trade Agreement
CBTA	Caribbean Basin Trade Partnership Act
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CEEAC	Economic Community of Central African States
DC	Developed Countries
DDA	Doha Development Agenda
EAP	Economically Active Population
EBA	Everything But Arms (EU trade initiative)
ECLAC	Economic Commission for Latin America
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FSC	Fiji Sugar Cane Corporation
FTAA	Free Trade Area of the Americas
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GSP	Generalized System of Preferences
ICAC	International Cotton Advisory Committee
ICO	International Coffee Organization
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
ILO	International Labour Organization of the United Nations
LAC	Latin American Countries
LDC	Least Developed Countries
MFN	Most-favoured Nation
MRL	Maximum Pesticide Residue Limit
MTADS	Medium Term Agricultural Development Strategy
MTDP	Medium Term Development Plan
NTAE	Non-Traditional Agriculture Exports
NAFTA	North American Free Trade Agreement
SFC	Small Farming Commercialization
TNC	Transnational Corporation
TRQ	Tariff Rate Quota
UNDP	United Nations Development Programme
UR	Uruguay Round
VREL	Volta River Estates Limited
WTO	World Trade Organisation

Introduction

Agriculture is an important component of the economy of many developing countries as it significantly contributes to domestic production and employment. It is also of key relevance because of its contribution to ensuring food security, which remains a major concern in many developing countries and especially least developed countries (LDCs). Women and men are not evenly represented among the various agricultural sectors such as livestock farming or export crops. These sectors are differently affected by trade liberalization, and therefore the consequences for women and men are not the same. Existing gender gaps may increase or shrink. Additionally, since women and men often have different education, income and skills, their capacity to respond to changes in policy also varies. Because women and men in developing countries have different roles in agriculture, and have historically been placed differently in relation to access and use of productive resources, the effects of trade liberalization will necessarily have diverse impacts and effects on both.

Agriculture underpins food security, export earnings and rural development in most developing countries. FAO statistics suggest that farming remains the only source of income for an estimated 70 percent of the world's rural poor, many of whom are smallholders. Millions of people around the world depend on agriculture, directly or indirectly, to ensure their livelihoods.

Agriculture throughout the developing world, however, continues to struggle. Estimates of per capita agricultural production for domestic and export markets were in decline throughout the 1990s. LDCs in particular continue to be marginalized from world agricultural markets, accounting for just one percent of global agricultural exports in the late 1990s. Indeed, for all the economic opportunities associated with increased globalization and international trade, small farmers in the developing world are often not in a position to compete in overseas markets, while frequently having to compete with foreign imports in the domestic market.

Smallholders, both women and men, in many developing countries face a particular set of constraints relating to a lack of credit and technology, inadequate rural infrastructure and land tenure systems, and in some cases, civil conflict. Reduced overseas development assistance to the farming sector, along with the typical reduction in associated direct foreign investment, have contributed to the ongoing challenges of smallholders, particularly in the LDCs. But it is the use of agricultural subsidies and tariffs by many developed countries to support their own farming sectors which continues to have perhaps the greatest adverse impact on the sustainable development of agriculture in many of the world's poorest countries.

The challenges discussed above are often exacerbated by agricultural systems in which the gender division of labour tends to be inflexible and where traditional approaches are increasingly undermined by the process of globalization.[2] Generally, food crops produced for household consumption or for the domestic market are cultivated and marketed by women; this is the case, for example, in sub-Saharan Africa for most vegetables and tubers. More commercial or industrialized crops such as cotton or sugar, cultivated on a much larger scale for direct export or further processing, are more frequently within men's economic domain (Koehler). FAO estimates that, in sub-Saharan Africa and the Caribbean, women produce as much as 80 percent of basic foods, while in South and Southeast Asia, 60 percent of cultivation work and other food production is done by women. These pronounced differences in how women and men participate in the cultivation of food crops as opposed to the commercial activity of raising cash and export crops mean that asymmetric support in developed countries, as well as adjustments in agricultural sectors to trade liberalization and the integration of markets, may threaten women's and men's livelihoods and food security in very many ways.

Traditional analysis and regulation of trade is most often presumed to be gender-neutral; however, an increasing body of literature on gender-related aspects of trade has emerged over the past decade. Researchers, non-governmental organizations (NGOs) and the United Nations have undertaken a number of studies to discuss the gender equity implications of trade, trade liberalization and the globalization of the economy. However, there is still very little empirical information available about women's involvement in trade expansion, the impact of agricultural trade liberalization on women's rights and roles in the agricultural and rural sector, and on gender equality in general.

Many interrelating factors gear the current transformation of farming but, given the lack of gender-differentiated agricultural statistics, it is difficult to generate an in-depth analysis of the gender-related dimensions of this process. The possible implications of the ongoing trade reforms for agriculture are equally difficult to gauge without such data. Assessments of the gender-differentiated impacts of trade liberalization and adjustments are increasingly called for, particularly as "seemingly neutral market mechanisms and macroeconomic policies can reinforce social biases and inequalities."[3]

This paper discusses some relevant gender-related issues regarding the implications that the agricultural trade expansion and liberalization have on aspects linked to gender inequalities that exist in the agricultural and rural sector. Section 2 provides a general framework together

---

[2] Gabrielle Koehler, *Agriculture and Commodities: Gender Issues Proposed for Research, Division on Investment, Technology and Enterprise Development*, UNCTAD, 1999.

[3] Gammage, Jorgensen, McGill and White, *Framework for Gender Assessments of Trade and Investment Agreements*, Women's EDGE Global Trade Program, Washington, DC, 2002.

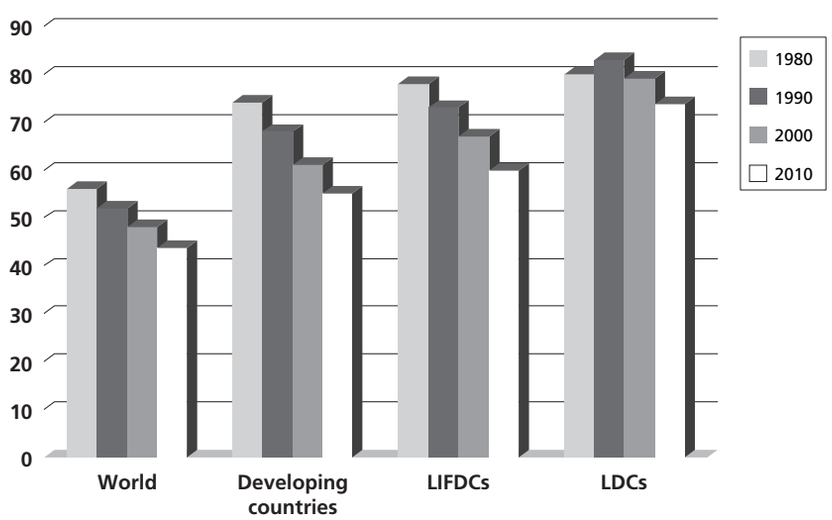
with a brief review of women's contribution to agriculture. Section 3 gives an analysis regarding the experiences of selected developing countries, from which some conclusions are drawn out about the impact of the agricultural trade development on aspects like agricultural work, land use, women access to productive resources and to new productive opportunities in agriculture. Section 4 considers the main features of trade liberalization agreements, both multilateral and regional, and in particular provides an overview of four key commodities for developing economies. Section 5 makes some considerations on the main implications of liberalized agricultural trade for small-scale farming, questions the conditions in which are provided the new economic opportunities for women, and indicates other aspects of relevance from a gender perspective that are ignored in trade policies and negotiations on agricultural commodities. Section 6 highlights some major considerations and conclusions that arise out of the examination conducted throughout this article.

Women's contribution to agriculture

Agriculture continues to play an important role in most non-industrial economies, as a major contributor to the country's export earnings and as a source of employment and livelihood. Official statistics often underestimate the value of women's work and their overall contribution to national wealth. Women continue to provide a large proportion of the labour that goes into agriculture.[4] FAO's estimates show that women represent a substantial share of the total agricultural labour force, as individual food producers or as agricultural workers, and that around two-thirds of the female labour force in developing economies is engaged in agricultural work.[5]

FAO has noted that while the overall proportion of the economically active population (EAP) working in agriculture declined during the 1990s, the percentage of economically active women working in agriculture at the global level remained nearly 50 percent through 2000, with an even higher percentage in developing countries (61 percent) and in LDCs (79

Percentage of economically active women working in agriculture, 1980–2010 (projected)



[4] Women have always worked in the production of food and other products in rural areas. However, official statistics are determined by reporting in line with official definitions of agricultural work, which tend not to recognize women's contribution to agricultural activities, despite efforts to improve gender-differentiated data in agricultural census and household surveys.

[5] FAO, *Gender, Key to Sustainability and Food Security, Plan of Action: Gender and Development*, Rome, 2003.

percent). Furthermore, although FAO projections to 2010 indicate a continued reduction in the overall female participation in agriculture globally, the percentage of economically active women working in agriculture in LDCs is projected to remain above 70 percent. The chart below compares FAO estimates of the proportions of the female economically active population working in agriculture, first at the global level, and then for developing countries, low-income food deficit countries (LIFDCs) and the Least Developed Countries (LDCs).

Part of the overall decline in the percentage of economically active women in agriculture globally is attributable to the greater involvement of rural populations in off-farm employment, in addition to the ongoing increase in migration to urban areas. Yet what is generally clear from the FAO data is that, as an aggregate, the low-income countries of the world – where agricultural production is still labour-intensive – also tend to have the highest percentages of economically active women working in agriculture, particularly in the LDCs. These percentages are also linked to an increase in male migration to off-farm activities, with women either assuming more responsibility for the family farm or for increased production of cash crops and food processing activities in order to increase family incomes.

The female contribution to the overall economy is high throughout Asia and the Pacific region, particularly in terms of labour input into agriculture. Bangladesh, Bhutan, Cambodia, China, India, Myanmar, Nepal, Pakistan and Vietnam have particularly high percentages of women employed in the agricultural sector, with estimates ranging between 60 and 98 percent. Indeed, in most Asian countries the number of women employed in agriculture as a percentage of the EAP is higher than that of men. As FAO reports, "this finding is even more significant given that data for the economically active population in agriculture tends to exclude the unpaid work by rural women in farm and family economies. If unpaid work were included, the figures for female employment in agriculture would be even higher."[6]

Recent research has also shown a trend towards higher female participation in agriculture in Latin America. A significant increase over the past two decades in the number of rural Latin American households headed by women has been noted; these women are usually the primary source of income for their families, and are typically involved in agriculture.[7] Poverty levels have also increased in Latin America, from 60 to nearly 64 percent between 1980 and 1999, with the absolute number of people living in poverty having increased; while the number of women working in agriculture (both subsistence and commercial farming) increased from 15 to 20 percent between 1990 and 1999.

The relative lack of gender-differentiated data precludes a full assessment of how gender may be related to increased poverty and female-headed households in Latin America.

---

[6] *Rural Women: Key to Food Security*, Gender and Population Division, FAO, 2003.
[7] Ibíd.

Various studies have concluded that the social-institutional constraints faced by women – in terms of equal access to economic opportunities and productive resources such as land, credit, technology and market information – tend to make them more vulnerable than men, broadly-speaking, in managing risks arising from economic shocks.

In the Caribbean, data for the involvement of women and men in agriculture are generally confined to transactions in the formal market sector. Statistics relating to the production and marketing of the principal export crops, such as banana and sugar, indicate that men are predominant in the control and marketing of export or cash crops. For instance, a social audit completed in 2002 of the sugar industry in St. Kitts[8] indicated that men, by a three-to-one ratio, were its primary source of labour. A similar ratio prevailed in the marketing of banana. Women, however, are highly visible in the production and marketing of food for domestic, household consumption and tend to participate in regional export trade of food, buying directly at farmgate and exporting to neighbouring islands, for example from Grenada and St. Vincent to Trinidad/Tobago and Barbados.

Women in agriculture in the Caribbean, as in most developing countries, play important roles in household food security as income earners, nurturers, and managers of natural resources and biodiversity, although the success with which they are able to execute these roles is often mitigated by restricted access to land, labour, capital and technology. In Jamaica, for example, the majority of women farmers – principally engaged in food production for domestic consumption – are smallholders, with the average farm size being significantly smaller in area than that held by men. In that country, then, production constraints related to land tenure and access clearly tend to impact more heavily on women than on men. And research indicates that, while women are predominant in domestic and/or regional sphere of agricultural marketing, men typically are more actively engaged in the marketing of traditional and non-traditional agricultural commodities to extra-regional and international markets.

In most regions of the world, women tend to be ultimately responsible for children and other dependants, and are often responsible for household food security. Female-headed households, both de jure and *de facto*, are on the increase globally because of internal and external migration, civil conflict, disease, and disruptions to traditional family structures.

[8] ECLAC, November 2002.

But whether or not a male spouse is present in the household, in most societies women are responsible for food processing and preparation, providing and obtaining health care, and clothing their children.

Women's increased responsibilities in recent decades for reproducing and maintaining the family, in most lower-income countries, have resulted in rather complex and demanding livelihood strategies. These diversified livelihood strategies have to respond to the internal and external dynamics that typically influence rural families, such as:

- *Increased out-migration by men, leaving women with sole responsibility for their families.*
- *Increased economic vulnerability to global market forces as traditional foods become less economical to produce, rural incomes decline, commercial agriculture becomes more input-intensive, and productive resources are dominated by agribusiness.*
- *Local and regional crises, such as civil conflict and HIV/AIDS, leaving women to care for orphaned dependants.*

Food security and family well-being are clear reasons for protecting or enhancing women's access and control over land and other productive resources. Studies have shown that resources controlled by women are more likely to be used to improve family food consumption and welfare, reduce child malnutrition,[9] and increase overall well-being of the family. The necessity for thorough assessments of how trade liberalization may or may not impact on food security, nutritional status and/or access to agricultural inputs and other productive factors – from a gender-differentiated perspective – should be seen in this context. Creating such assessments is crucial to the successful development of any programme or policy ultimately concerned with improving food security or poverty alleviation.

[9] Within these studies, the following can be mentioned: Blumberg, 1991; Von Braun *et al.*, 1994, and Hirschmann, 1984.

Impact of international agricultural trade and gender equity: selected country case studies

Current trade liberalization strategies emphasize the need for an export-driven economy. In recent years, developing countries have tailored domestic agricultural policies to respond to changes associated with the expansion and liberalization of international trade. The review of selected commodities and country-specific experiences in this section illustrates some of the issues related to domestic agricultural export strategies and the effect these have had on the welfare and livelihoods of women.

As trade liberalization strategies are geared towards increasing export production, women farmers in the subsistence sector are often neglected. Women's unpaid work on family farms is not reflected in national accounts. As a consequence, this non-economic or unpaid work goes unnoticed and is not reflected in the design of agricultural policies. This neglect of women's 'invisible labour' contributes to the marginalization of women in the economy. However, women's work is often integral to the functioning of smallholder farms, by carrying out sustenance activities and participating in post-harvesting. Furthermore, in many countries women are also the main providers of food for their household.

As shown in the following country case studies, women are responsible for between 60 and 90 percent of total food production in their respective countries. Government incentives in developing countries which have switched land and labour to export crop production may force women to reduce time tending farm plots that are the basis of food security, and seek employment in the export-oriented sector. Such a move would increase women's double burden – their responsibility to earn an income as well as to fulfill their role as food providers for their household, which might be difficult to fulfil through the extra monetary income they gained, given the very low wages they get as unskill labour. On the other hand, it is usually argued that this participation of women in the export-oriented sector, could also raise their autonomous income-earning capacity.

The issue of resource allocation is an important one, because as many developing countries are gearing their policies towards trade liberalization, agriculture smallholders, and especially women farmers, tend to be dislocated from the land they tend for household food production.

Moreover, the increased female labour input into agricultural exports is not associated with greater access to or control of agricultural resources. In Uganda, for instance, a large proportion of women engaged in the export sector are not directly involved in the marketing and therefore do not necessarily benefit from it. Household income is often controlled by men in the household.

The question of whether women have benefited from trade liberalization is complex to address. The following selected country case studies attempt to throw some light on the various aspects to be considered in carrying out a gender analysis of trade.

Labour conditions in non-traditional agricultural exports in Ghana: banana production

Agriculture and the policy environment

Agriculture is the predominant economic activity in Ghana, employing 55 percent of the workforce and producing 45 percent of the GDP.[10] Approximately 70 percent of the rural population depends on agricultural activities as a source of income. The subsistence agriculture sector accounts for 36 percent of agricultural GDP and employs 60 percent of the total workforce.[11] Smallholder farmers – the majority of whom are women – on family-operated farms generate 80 percent of total agricultural production in Ghana.[12]

In the last decade, Ghana implemented a structural adjustment programme with trade liberalization as a major component. In 1990 its government formulated the Medium-Term Agricultural Development Strategy (MTADS) with an outward-looking focus on export promotion. Ghana's economy has historically been dependent on the production and export of cocoa. As the cocoa price[13] fell in world markets by the end of the 1980s, the government began to emphasize the need to diversify their agricultural base and promote non-traditional agricultural exports (NTAEs), such as fish, fish products, oil palm, rubber, pineapple and banana.

Although one of the objectives of the MTADS was to improve food security and rural employment, resources were mainly allocated to the export-oriented sector; there was no institutional support for food crop production. Under the NTAE strategy, the area for the production of pineapple is estimated to have more than quadrupled between 1985 and 2000.

---

[10] *Trade Reforms and Food Security Project: Ghana*, FAO, 2003.
[11] http://www.cia.gov/cia/publications/factbook/
[12] *Trade Reforms and Food Security Project: Ghana*, FAO, 2003.
[13] Cocoa accounted for 96 percent of Ghana's exports in 1986. In 2001, this figure stood at 75 percent.

The growth in pineapple exceeded the growth rates of food crops such as cereals and starchy staples. The value of Ghana's exports of horticultural products more than doubled in the period from 1995 to 2000. The leading export by value is fresh pineapple, exports of which account for about 40 percent of total export earnings in this sector.

Food production in Ghana has been in decline since 1974 owing to bush fires, and severe drought in 1983. Importables such as maize, rice and millet decreased for the period 1980–1983. There was a brief upsurge in food production for the period 1984–1986, after the near-famine situation in 1983 compelled many families to go into household farming when weather conditions improved. Programmes were implemented to increase grain and starchy staple productivity, but further drought in 1990 caused another sharp drop in food production.

Women's contribution to the agricultural sector

In 2003, 49.4 percent of the female population were employed in the agricultural sector, compared to 51.7 percent of the male population (FAO, 2003). In agriculture, the majority of women are food producers working on joint family farms and tending their own land for household food production, while only a small percentage are independent farmers. About 90 percent of women in Ghana are self-employed or work as unpaid family labour in farming, agro-based enterprises, or small-scale manufacturing in the informal sector with low productivity and low incomes (Fontana and Joekes, 1998: 15–18). In periods of labour shortage, women are often engaged, without any remuneration, in post-harvesting activities on cocoa plantations.

Societal and cultural restrictions have limited the potential of the work of women farmers in Ghana's agriculture sector. Uncertain access to land and a history of losing land rights have discouraged women's long-term investments or improvements in their own land, where they are responsible for household food security. With their access restricted in general to less fertile land, women often are able to cultivate only cassava and other food crops, while men cultivate the more fertile land with cash crops.

Participating in paid labour activities, women are very much constrained by their role as the primary providers of food for their household. On family farms, while women can influence decisions, the male head of household has final decision-making power and often controls household capital and labour. Providing women farmers and workers with the

right incentives, such as access to credit, to increase their productivity and skills could foster higher growth rates in Ghana's agriculture sector.

Owing to the way in which the economic reforms have been targeted, benefits have largely accrued to medium- and large-scale farmers in the cocoa sector, where few women are employed. A World Bank study in 1995 emphasised that households headed by women have experienced a sharp decline in poverty levels. This is largely attributable to growth in non-farm self-employment, which is the main source of income for female-headed households. As women are tied to their role as primary providers for household food production and consumption, they tend not to be involved in the export-oriented sector.

Promotion of NTAEs: Volta River Estates Ltd. (VREL) as an example of Fair Trade

The Volta River Estates Ltd. (VREL) banana export company, in which a relatively low percentage (approximately 16–20 percent) of employees are women, illustrates the benefits which women may have gained as a result of participating in export-oriented activity. While VREL's exports only account for 0.1 percent of Ghana's total export earnings, these are part of the government's wider strategy to export NTAEs. VREL is of importance to Ghana's agriculture sector because it is the sole Fair Trade banana exporting company. It is also one of only two Fair Trade initiatives in Ghana, the other being the Kuapa Kokoo, an initiative among smallholder cocoa farmers. VREL banana plantation employs 900 workers and is in the top forty companies in Ghana both for turnover and number of employees. VREL's main export market is the European Union where it enjoys preferential access but, owing to quality problems, 20 percent of the banana produced are sold in the local market.

There is a marked gender division of labour on the plantation. Women are employed as unskilled labourers, mostly in cleaning and packing the banana, while male employees harvest, clear and replant. Women comprise about 20 percent of the workforce but are not represented in high-level management. It is not clear whether women's low participation in the VREL labour force is because of a ceiling on the kind of tasks (packing and cleaning) assigned to women within the plantation, or because of constraints on women heads of household that prevent them from engaging in full-time employment in the plantation (requiring, for example, their time and labour to the extent that it detracts from their role as food providers for their families).

Since VREL is part of a Fair Trade initiative, the working conditions undertake to be better than elsewhere in the eastern region of Ghana, where few employment opportunities exist. VREL workers are represented by the Ghana Agricultural Workers' Union for which there is also a women's representative on each site. The salaries are equal for both men and women (about 8 000 Cedis a day or USD 1.2) and much higher than the country's minimum wage of 4 200 Cedis

or USD 0.61 (Budu, 2001). Workers are paid overtime and enjoy other social provisions such as three weeks annual leave, medical benefits, and on-site child support, providing incentives, particularly for women. Wages at VREL are, however, lower than at textile factories and not significantly higher than day rates for casual labour in the area. This is balanced by the fact that VREL staff have permanent jobs that are not subject to seasonal fluctuation in labour demands, which is seen as a great benefit (Blowfield and Gallet, mimeo).

VREL seems to constitute a very limited source of employment, in an area where water is insufficient for farming and employment is often seasonal and limited – where unemployment stands at 40 percent despite the area's manufacturing industry. The majority of VREL's male employees were formerly smallholders and fishermen who left their occupations for the benefits, such as higher wages, VREL had to offer. It is unclear whether women have fully benefited from VREL's employment opportunities, since there is no information available about what the trade-offs have been for them. A more in-depth analysis would have to be carried out to find out what forms of labour those women working at VREL were previously engaged in and to assess what has happened to their household food production. Yet, although a small operation in terms of employee numbers, the Fair Trade aspect of the VREL initiative has set a precedent for more gender-sensitive schemes.

Reduction of agricultural work in banana production in the Windward Islands

Trade liberalization

Since the mid-1990s, Caribbean economies have introduced market reform measures into their national policies in order to comply with WTO rules. Historically, agricultural exports in the Caribbean were plantation-based but these large estates have in recent years been turned into small family farms. The agricultural sector began to experience decline during the 1980s, as Caribbean economies shifted towards tourism. Tourism now accounts for ten percent of GDP and agriculture for eight percent (FAO, 2003).

The region's two main export commodities, banana and sugar, will be affected as preferential market access is phased out. Countries in the Caribbean recognize the need to respond to the new economic challenges this poses and to create a domestic environment conducive to reducing poverty and sustaining rural livelihoods in their respective agricultural sectors, by diversifying and developing non-traditional crops, for instance. The danger is that, "in the anxiety to capitalize and commercialise the agricultural sector, Caribbean Governments continually negate the contribution of the informal sector or the subsistence mode of production to the sustenance of livelihoods in the rural and agricultural sector", in which women play a fundamental role (FAO, 2003).

Women in agriculture

In the Caribbean, generally, data for the involvement of women and men in agriculture is confined to transactions in the formal market sector. Statistics for production and marketing of banana and sugar, the principal exports, indicate that men dominate the cash crop sector.

The prevalence of women in the municipal markets throughout the region points to female dominance of the domestic market. Women, known as hucksters (or higglers), are also the principal operators of the regional food export trade, buying on-farm and exporting agricultural produce to neighbouring islands. In Grenada and St. Vincent, the trade is with Trinidad and Barbados. A 2002 social audit of the sugar industry in St. Kitts reveals a three-to-one ratio of male to female workers in the sugar industry. In the absence of official information, it is generally recognized that the marketing of banana is done by men while the labour-intensive work of packing and cleaning is primarily carried out by women.

In the Caribbean, women in agriculture play important roles as, amongst other things, food producers, income earners, nurturers, and managers of natural resources, although their efficiency in executing these roles is conditional on the degree to which they are entitled to factors of production such as land, labour, capital and technology. In Jamaica, for instance, most women farmers, principally engaged in food production for domestic consumption, are smallholders with a significantly smaller average farm size than men. Production constraints related to land access therefore impact more heavily on women than men.

While women dominate in agricultural marketing's domestic and regional spheres, it is usually men who are actively engaged in the marketing of traditional and non-traditional agricultural commodities targeted at the extra-regional and international markets. There appear to be gender differences in choice of market and also in crops traded. Women are more active in domestic markets, and their production and marketing activities are generally more diversified than those of men. In conclusion, although rural women in the Caribbean perform important tasks in food production, income generating activities, nutrition and the management of natural resources, their limited access to productive resources such as land, labour, capital and technology conditions their effectiveness in carrying out their tasks.

The banana sector in the Windward Islands

The Windward Islands' banana industry has been its most important economic sector during the second half of the twentieth century. However, since the 1990s, there has been a decline in banana production in the Islands. In St. Lucia, for example, the contribution of banana exports to total GDP dropped from 20 percent in 1990 to 8.7 percent in 1997. Out of total banana exports from the Windward Islands, 50 percent come from St. Lucia (R. Paul, 2003). The Islands have been experiencing low levels of productivity and a decline in production levels; competitive pricing pressures in key European markets, especially the United Kingdom, continue to undermine the industry's profitability.

The progressive phasing out of the European Union quota system for banana is likely to cause further deterioration of the Windward Islands' already fragile banana export sector, directly affecting women in two ways. First, a large majority of banana farmers are women, whose livelihoods are already being affected by this decline, with a sharp increase in poverty and unemployment levels affecting women throughout the Windward Islands. A 1999 study on the impact of new trade arrangements on the Islands, conducted by the Caribbean Association for Feminist Research and Action (CAFRA), revealed that rural women's living conditions had worsened over the previous five years because of the decline in banana cultivation and price. Second, a large proportion of households in the Caribbean, almost 40 percent, are headed by single females (Robinson, 2001), meaning that, often, there is no second adult income into the household to mitigate the effects of this decline in the banana trade.

The Windward Islands Farmers Association is increasingly involved in developing programmes to support 10 000 banana-growing families, and to help them get a better deal by joining Fair Trade cooperatives.[14] Particular attention is paid to the rights and needs of female farmers, many of whom are single heads of household.

Expansion of non-traditional agricultural exports and changes in land use in the Philippines

Agricultural policy

The contribution of the agricultural sector to GDP in the Philippines stood at 20 percent for the years 1995 to 2000, and accounted for 40 percent of total employment (FAO, 2003). Two-thirds of the population depend on agriculture for their livelihood. Rice takes up 32 percent of the approximately 12 million hectares available for crops; coconut, 26 percent;

[14] See OXFAM Web site, http://www.oxfam.org/eng/story_Windward_bananas.htm

corn, 21 percent; sugar cane, banana and coffee, 8 percent; and the remaining 13 percent is taken up by root crops, vegetables and fruit trees.

The Medium Term Agricultural Development Plan for 1993–1998, prepared with possible entry into the WTO in mind, called for a reduction by 65 percent of the land devoted to staple food – namely rice and corn – and for a switch towards NTAEs such as asparagus, banana, eucalyptus and cut flowers. This approach limited rice and corn production to 1.9 million hectares and freed up some 3.1 million hectares for raising cattle and cultivating non-traditional high value crops (Bello, 2003).

Traditionally, the agriculture sector in the Philippines has been dominated by small-scale rural producers but their livelihoods are at stake now that high-value crops such as carrots, asparagus, broccoli, green onions, garden peas, lettuce, radish and cauliflower have become the top priority for government assistance. Traditional crops grown by women, such as rice, corn, potatoes, garlic, onion and cabbage, are threatened.

Effects of the trade agreement on agriculture

The period following the conclusion of the WTO Agreement on Agriculture has been characterized by higher food prices and increased incidence of poverty in the Philippines (FAO, 2003: 439). The entry of foreign commodities, facilitated by trade liberalization, has resulted in significant displacement of local production and of large numbers of producers. Rice, the staple food of the Philippines, was central to the achievement of the Philippines' food security goals but, following entry into the WTO, rice imports flooded the market and drove down the price of domestic rice, to the severe detriment of the domestic rice sector. Just six months after the accession of the Philippines to the WTO in 1995, the country plunged into a severe rice crisis and had to import massive volumes of rice. Since then, from 1997 to 2001, average farmgate prices of rice grew at a "measly 0.89 annually", with total rice production only increasing marginally over the past decade, owing to the continued erosion of the domestic rice sector.

By 2001, employment in agriculture had dropped to 10.85 million, from 11.29 million in 1994 (Bello, 2003). In the period 1995–2000, following the Philippines' accession to the WTO, agriculture grew at an average rate of 1.8 percent. Liberalization enabled food imports to increase at a rate that threatened the livelihoods of many domestic farmers (Briones, 2002).

Women's role in the agricultural sector

Approximately half of all rural women are classified as economically active. In 1992, women made up 25.8 percent of the agricultural labour force (including fisheries and forestry).

Women play important roles in the production of cash and subsistence crops, and in small livestock rearing. They also take part in some fishing activities. To feed their families, women cultivate kitchen gardens and subsistence crops, mainly root crops.

The gender division of labour in the Philippines is clearly marked in farming. Land clearance and preparation is usually carried out by men, except where minimum tillage is required, for example in vegetable gardening. Women engage in planting, weeding and harvesting, while men spray chemicals and fertilizers and carry out more mechanized tasks. Women are heavily engaged in post-harvest tasks, such as threshing and processing. In addition, women bear the responsibility for household tasks.

Rice production in the Philippines – from selecting the seeds, to uprooting and transplanting the seedlings, and storing the grains – has long been the domain of women, many of whom have been unable to compete with the massive imports of rice. In the Cordillera region of the Northern Philippines, irrigated rice production is the main livelihood of many villages but as the government has shifted its focus towards NTAEs, less irrigation water has been available for rice. This has led to the abandonment of rice fields, reduced production of rice and outmigration (Kohr, 2001: Chapter 9). It also means the loss of practices that, for generations, ensured that indigenous peoples remained self-reliant and self-sustaining in meeting their basic food needs.

Changes in domestic policy have promoted free entry of traditional agricultural products such as onions, garlic and potatoes. For instance, as the market began to be flooded with machine-sliced, ready-to-fry potatoes from the United States, prices collapsed to almost half of 1990-levels, affecting around 50 000 Benguet potato farmers (Oliveros, 1997).

Landless peasant women

Of the 11.2 million people in the agricultural labour force, 8.5 million are landless. The impact of international trade practices on rural agrarian structures in the Philippines appears to have intensified the exploitation of peasant women and their families (Oliveros, 1997). The current tenancy system in the Philippines is based on a 70/30 or 60/40 product-sharing scheme, in favour of the landlord. Millions of tenants work under extreme and exploitative conditions whereby, although the landlord pays only the male labourer, the entire family, especially the unpaid labour of women and children, is mobilized to complete the work.

In the production of copra, for instance, work is done with bare hands and involves long hours of labour. The crop is harvested every three months, with each family member intensively engaged from dawn to dusk. For a hectare of land planted with 250 coconut trees, the tenant family gets a share of about PHP 130 or US$ 5 per harvest, while the landlord gets PHP 450 or US$ 17 per harvest. Furthermore, there are reports that in many of the

large coconut and sugar haciendas, landlords try to eject the peasants/tenants from the land they tend (Oliveros, 1997). This is favouring further concentration of land, exacerbating economic disempowerment, migration and social disruption in rural areas.

As vast areas of prime arable land are planted with non-traditional export crops, peasant women are forced to till far-flung rocky uplands for their livelihoods. Because of prevailing local land ownership patterns, women are not granted access to credit and training that might result in increased productivity. Women are also burdened with housework, owing to the gendered division of labour, in addition to their work as subsistence farmers. Furthermore, as women do not hold the title to their land, they are unable to reap any financial benefits from its sale when land is converted to other uses. In such cases, rural women may be displaced to cities and tourist zones to work in domestic service or in prostitution, in order to survive. Otherwise, peasant women and their children tend to end up in irregular jobs with very low pay and exploitative work conditions.

Participation of women farmers in non-traditional agricultural exports in Uganda

Agricultural sector

Agriculture in Uganda accounts for more than 40 percent of GDP and is a primary source of income for 80 percent of the population (FAO, 2003). The main cash crops include coffee, cotton, sugar cane, sunflower and tobacco. Dual-purpose crops such as banana, beans, cassava, fruits, maize and vegetables are also grown (IFAD, 2000). The Ugandan government, in its current macroeconomic policy, has fostered higher agricultural productivity as a prerequisite for poverty alleviation. The 1998 Plan for Modernisation is premised on a holistic strategic framework for increasing agricultural productivity, eradicating poverty and improving the quality of life of poor rural smallholder subsistence farmers. But owing to lack of marketing infrastructure, information asymmetry (especially on input and output prices), high post-harvest losses and financial constraints, smallholder farmers – women in particular – are still confronted with a number of problems constraining productivity.

Uganda has the capacity to produce enough foodstuffs but over half the population does not have access to sufficient food because of the agricultural sector's vulnerability to natural and weather calamities. There is no specific buffer stock programme to release food onto the markets during times of shortage and stabilize retail food prices during periods of low supply.

The main staples consumed by households are *matooke* (plantain), sweet potatoes, cassava, maize, millet and sorghum. Own production constitutes a significant proportion of the

consumption basket; the remainder is sold at market for income. Stockholding at the household level is very low or non-existent, which makes it difficult for rural households to go through off-season periods and times of poor harvest. Poor or lack of affordable post-harvest technology at the household level leads to food losses that have been estimated at about 30 percent (World Bank, 1999).

One of the priorities of current macroeconomic policy in Uganda is the promotion of NTAEs. These are considered an important agricultural intensification strategy as the world prices of Uganda's main cash crops, namely coffee, tea and cotton, have declined (Elson and Evers, 1996). Uganda's most important NTAEs are maize, beans and cassava, accounting for 70 percent of total such exports (Kassente *et al.*, 2002). NTAEs comprise approximately 25 percent of total exports and also include cereal, as well as fish and other high value-added products such as vanilla and horticultural products. Most NTAEs are grown by smallholders in rural areas.

Women's contribution to agriculture

Agriculture is the main occupation of women in Uganda; 72 percent of all employed women and 90 percent of all rural women work in agriculture, compared to 53 percent of rural men. Women are responsible for 90 percent of the total food production in Uganda and 50 percent of cash crop production (Elson and Evers, 1996), not only playing a central role in food production but also being involved in the post-harvest processing, storage and preservation of crops.

Women in Uganda tend to be allocated small fragmented plots on marginal lands to grow crops for household consumption. While women are involved in growing NTAEs up to a point, men are primarily responsible for the marketing side (70 percent, or jointly, 15 percent) and women often do not benefit from the sale of their produce (IFAD, 2000). In 1992, 48 percent of all women farmers were producing some form of NTAEs, for example green beans (Elson and Evers, 1996). In the case that a male head of household controls the agricultural output, the extra work is carried out as unpaid labour and may also impinge on household food security (Kassente *et al*., 2002). The number of women participating in the NTAE promotion programme is still low, as is the number of women farmers with access to agricultural extension services, possibly owing to cultural and societal constraints and to lack of information. A more in-depth analysis is required in order to assess whether export-oriented policies in the agricultural sector have actually improved the condition of women.

Sugar-cane production and new non-farm activities for women in Fiji

Agricultural sector

In 2001, the agricultural sector contributed approximately ten percent to Fiji's total GDP. Subsistence agriculture accounted for 30–40 percent of agricultural GDP, employing over half of the EAP; followed by sugar production, with approximately 23 000 contractors engaged in this sector. Other agricultural exports include copra and cocoa. Horticultural export crops such as ginger, tropical fruit, root crops and vegetables are now the fastest-growing part of the agricultural sector (FAO, 2003: 209).

Traditional food crops such as sugar cane, coconuts, cassava (tapioca), rice, sweet potatoes, and banana are grown throughout Fiji, representing a hidden strength of the economy. This strong commercial food production sector supplies the domestic market. However, Fiji's vulnerability to natural disasters has resulted in a degree of food instability and high food imports. At the household level, because of urban poverty, 25 percent of the population are living below the poverty line; lacking food security, access to land and other resources, a situation that seems to be exacerbated with the phasing out of preferential trade agreements.

The sugar industry is of fundamental importance to the archipelago's economy, occupying 50 percent of all arable land and employing 13 percent of the total workforce. It contributes to 9 percent of GDP and generates some 30 percent of domestic exports. Production of sugar cane in Fiji began in the late nineteenth century when an Australian-owned company called Colonial Sugar Refinery set up the plantation system. As labour costs increased and indentured labour came to an end, the plantations were transformed into smallholdings, still in the hands of the Colonial Sugar Refinery. The company sold its operations in 1973 to the Fiji government, which formed the Fiji Sugar Cane Corporation (ADB, 2000).

Women's role in sugar-cane production

Women's unpaid labour has been essential to the operation of sugar-cane smallholdings, and therefore to the production of sugar cane, in Fiji. Female family members contribute to the cultivation process and perform low-profile work that allows male members of the family to participate in sugar-cane production. The work women do tends to be masked by the set-up of the nuclear family, with the tendency for work that is unpaid to remain unnoticed, but they engage in subsistence agriculture, animal husbandry, domestic work and small goods and handicrafts production (Carswell, 2003).

In 1995, the average farm size was 4.6 hectares, 3.65 hectares of which would typically be devoted to growing sugar cane, and the rest managed by women family members – growing staples such as rice and root crops, as well as a variety of vegetables, fruits, herbs and spices. Household food production on the farm accounts for 50–90 percent of the family's weekly intake and is therefore vital for the survival of the household.

The perception that women are only engaged in peripheral activities on the farm and do not participate directly in sugar-cane production is mistaken. Most women on the farm have harvested cane during labour shortages, especially when there has been pressure to complete harvesting. They have also participated in planting, weeding and fertilizing when labour was short. But it is women's indirect support, in carrying out sustenance activities and working in post-harvesting, that is integral to the functioning of these smallholdings.

Preferencial access for sugar

Fiji has relied on preferential trading arrangements, mainly with the European Union (the Sugar Protocols of the Lomé and then Cotonou Conventions), for exporting its sugar cane. The progressive phasing out of preferential treatment may result in a significant decrease in income for cane farmers, likely to render the average sugar farm non-viable and increase poverty (Carswell, 2003). The adverse impacts will fall most heavily on small producers, placing more pressure on female family members to supply the food needs of the household. Women and children, additionally, suffer greater privation when food for the family is insufficient, as food is first provided for the men of the house. Under such conditions, smallholder families will need to seek alternative means of generating household income.

Women in sugar-cane farms realize that to feed their family they may have to diversify and grow alternative cash crops such as *yaqona*,[15] or develop market gardening and sell the produce at the nearest urban market. Some women will be able to increase sales of their handicrafts or seek off-farm employment, although they were aware of the gender constraints in off-farm employment with most existing opportunities, for example in gold mining and forestry, favouring men. Since women are actively involved in producing food for domestic consumption, and male members of the family may have to migrate in order to gain employment, women taking up paid work outside the household will burden those who are left behind on the farm with an additional workload.

[15] A pepper plant used to make drinks.

The transformation of agriculture and implications for women's employment in China

Agricultural sector

Agriculture as a share of China's GDP has declined from 33.3 percent in 1982 to 14.5 percent in 2002. Over 50 percent of the labour force in China's agriculture, forestry, animal husbandry and fisheries is female (UNDP, 2003), the feminization of these sectors being accentuated as male agricultural labourers migrate to urban areas. Yet the wages of those migrants still support rural households because women's incomes derive primarily from sectors of agriculture with low productivity.

The majority of workers in cultivation and stockbreeding are women, 51.6 and 75.2 percent respectively, and their percentage continues to grow (UNDP, 2003). In agricultural production, women have replaced men as the dominant force, while its management and decision-making processes remain male-dominated. One illustration of how this situation is perpetuated is that women are not allowed to apply for loans without their husband's authorization under existing agricultural loan policy.

Effect of WTO accession on women in the agricultural sector

China has one of the world's lowest ratios of farming land per capita, so in the long run the country has a comparative advantage in developing labour-intensive stockbreeding such as poultry production rather than land-intensive cultivation of soy, corn and cotton. As both sectors are dominated by women labourers, China's accession to the WTO has implications for female labour. The number of women who work in land-intensive planting, especially of soybeans, corn and cotton, may decrease. On the other hand, the impact of WTO membership on the chicken-breeding sector is expected to create new job opportunities for women in the long run, although new opportunities in the poultry trade will largely depend on technical and sanitary regulations in developed countries (UNDP, 2003).

Alternatives for those women likely to lose jobs in the agricultural sector, as currently organized, involve moving to labour-intensive agricultural production or to non-agricultural employment (UNDP, 2003). It is important to note that even if women switch from land-intensive planting to stockbreeding, they are likely to remain responsible for cultivating crops for household food consumption. The double burden of production and housework may actually intensify as in other countries. Once more, in order to ascertain whether women will be able to strengthen their position in the economy as a whole by engaging in the labour market, a more detailed analysis of such factors as wage levels and working conditions for women in non-agricultural employment is required.

Multilateral trade agreements on agriculture and commodities

Prior to discussing trade agreements and trends in agricultural trade from a gender perspective, here follows a brief outline of trade agreements relating to agriculture and commodities. Agricultural trade policies were subject to few multilateral disciplines prior to the Uruguay Round Agreement on Agriculture (AoA). The AoA began in 1994 and called for reduced agricultural export subsidies, reduced domestic support to farmers and lower tariffs on agricultural imports. For many developing countries, however, the AoA did not achieve the results necessary to ensure further development of their agricultural sectors.

Concerns were raised throughout the AoA negotiations about how the agreement would impact on food security and poverty in the least developed and the net food-importing countries. Three key arguments had emerged during the 1980s against implementing trade reform in developing countries: (i) it was improbable that export revenue would increase in commodity-dependent countries; (ii) protectionism in OECD countries would harm developing countries' efforts to diversify into non-traditional crops; and (iii) trade deficits would widen because of the inability of relatively inefficient production systems to compete in the face of import liberalization.[16]

After the Third Ministerial Meeting (Seattle) failed in 1999, the WTO agreed to address the continued imbalances in global agricultural trade at Doha. The Doha Ministerial Declaration addressed special and differential treatment for developing countries as well as non-trade concerns such as food security and rural development (WTO, 2001). Yet subsequent negotiations have largely failed to reflect the goals agreed to in the Doha Development Round. The failure of the Cancun WTO Ministerial in September 2003 demonstrated, in many ways, the unwillingness of developing countries to compromise in other areas until the goals agreed to in Doha were addressed. Many developing countries continue to insist that developed countries make deeper commitments to reducing subsidies and domestic supports.

Developing countries continue to push for improved access to the markets of developed countries, with efforts focusing on the following issues in particular: *tariff peaks on export*

[16] *Food Security and Agriculture in the Low Income Food Deficit Countries: 10 Years after the Uruguay Round,* Food and Agriculture Policy Notes, Pingali and Stringer, FAO, 2003.

products of interest to developing countries, such as sugar or cotton; *tariff escalation*[17] for products such as coffee; *technical barriers to trade*, such as increased use of sanitary and phytosanitary measures (SPS), and lengthy delays in the recognition of equivalence of developing country SPS measures; trade agreements that guarantee *preferential market access*, for example, preferences for sugar or banana; increased tariff import quota levels and elimination of *export subsidies*.

Recent drops in commodity prices, notably for coffee, have highlighted the ongoing concerns of developing countries about their vulnerabilities in agricultural production and trade. Precipitous declines in export revenues have adverse economic, political and social impacts at the national and household level. Depressed world prices caused by domestic supports to agriculture in developed countries, particularly for cotton and sugar production, have resulted in additional political concerns as farmers in developing countries continue to struggle with the adverse economic impacts. At the WTO Ministerial in Cancun, several West African cotton producers suggested that their countries receive compensation for the adverse consequences of developed country policies on their exports.

Agriculture is the mainstay of most developing countries' economies, underpinning food security, export earnings and rural development. However, estimates of per capita agricultural production for domestic and export markets declined throughout the 1990s. LDCs in particular continue to be marginalized from world agricultural markets, accounting for only one percent of global agricultural exports in the late 1990s. The poor performance of agriculture in many developing countries is mainly related to, on the one hand, the historical unfavourable terms of trade for agricultural commodities, while on the other hand to internal structural problems such as low productivity; rigid production and trade structures; short life expectancy, low educational qualifications; and inadequate infrastructure, institutional and policy frameworks.

Many developing countries find themselves challenged to find ways of participating in an increasingly competitive external trade environment whilst simultaneously adjusting to the impact of small farm commercialization or rationalization, particularly as their increased food import bills demonstrate how often these food products simply out-compete domestic foods in many markets. FAO anticipates that "liberalization of agricultural trade could drive up prices for most agricultural commodities, potentially having a negative impact on food security in developing countries, as most are net importers of food. Prices are expected to rise more steeply for the food products that developing countries import than for the commodities they export."[18]

---

[17] FAO defines tariff escalation as imposing higher tariffs on first-stage, semi- and fully processed food products, resulting in very significant protection for processing industries in developed parts of the world including Northern America, the European Union and Japan. The ability of developing countries, particularly LDCs, to escape the cycle of producing and exporting primary products is often constrained by tariff escalation.

[18] *El estado mundial de la agricultura y la alimentación*, FAO, 2003.

The FAO standpoint is that there is scope for maintaining and expanding trade preferences in agriculture, depending on the rate of reduction in the current round of negotiations on agriculture and given that tariffs remain high for many agricultural products.[19] Products receiving preferential treatment in many of the low-income, vulnerable developing countries (such as sugar, banana, fruit and vegetables) represent a major source of foreign exchange, employ a large proportion of the rural poor and contribute significantly to food security. While the aggregate value of preferences to developing countries is not considered to be that high (estimated between US$ 1–3 billion), these trade receipts are highly significant relative to the value of trade in preference-receiving countries. This is particularly true for many of the ACP countries dependent on the export of one or two key commodities, with contributions to GDP from agriculture ranging from 10 percent to as high as 30 or 40 percent in some countries.

Multilateral liberalization on a most-favoured nation basis would nevertheless significantly erode margins received under preferential trade agreements and result, potentially, in loss of market share and income. FAO estimates that the aggregate preference margin – enjoyed by all ACP countries for all agricultural products under the Lomé Convention – declined by 16 percent between 1995 and 2000 because of tariff reductions during the Uruguay Round implementation period.[20] Potential further reductions in bound tariffs resulting from the Doha Round would reduce preferential margins even more and would be likely to result in significant adjustment costs for preference-receiving developing countries, particularly those that are most commodity export-dependent with narrow resource bases. The general perception is that many of the preference-receiving developing countries have benefited substantially from market access for their exports of sugar, banana, fruit and vegetables into the United States and European Union in particular. However, preferential access may in some cases have constrained efforts to improve production costs or processing efficiencies; this may be particularly true of the global sugar market where preferences guaranteed export prices at the higher (nearly double) internal prices of United States and European Union domestic markets for sugar.

The Uruguay Round essentially subjected domestic agricultural supports and subsidies to international review, although the scrutiny did not necessarily result in reduced support, especially for the most sensitive agricultural products such as sugar, cotton, rice or dairy. The UR also, for the first time, negotiated an agreement to establish specific disciplines for the application of sanitary and phytosanitary (SPS) measures for multilateral trade in agricultural products. Of particular interest to developing countries were the changes made to the scope and significance of agricultural preferences and market access for ACP countries and generalized system of preferences (GSP) beneficiaries into the European Union. Tariff liberalization for major tropical products resulted in a gradual phasing-out of remaining preferences (ending in

[19] Refer to FAO Trade Fact Sheets, available at www.fao.org. (Tariff peaks in selected developed countries remain very high, with average tariffs (bound rate) for sugar at 83 percent of bound rates, fruits and vegetables averaging 120 percent, cocoa 117 percent and coffee 70 percent).
[20] Ibíd.

mid-2000) for raw coffee and cocoa, papaya, mango and several other tropical fruits. Tariffs were not reduced for processed forms of coffee and cocoa, though, and tariff escalation remains a barrier to increased in-country value-adding for producer countries.

A number of preferential trade agreements already in place within the European Union, United States, Canada and other developed countries changed significantly after the Uruguay Round. The Caribbean Basin Initiative, Andean trade preferences and the ACP-EU Convention were adjusted to the new multilateral trading environment and the scope and depth of preferences was improved. The European Union and ACP countries agreed to convert their traditional market access and preferential arrangements into reciprocal free trade areas, with ACP preferences continuing until 2008. By July 2000, the UR results had been fully implemented by the European Union. At that time, 50 percent of the agricultural exports of ACP countries no longer enjoyed European Union market access preferences, while the other half still had some level of margin preference (10 percent on average, according to the European Commission).

The European Union further announced the Everything But Arms (EBA) initiative in May 2000, granting duty-free and quota-free entry for all products in favour of all LDCs. Duties were immediately suspended for most raw and processed agricultural products, with the exception of sugar, rice and bananas. Duty-free global quotas for sugar and rice were established and set to increase by 15 percent annually, with Most-favoured Nation (MFN) duties reduced over three years to zero by 2006. Tariffs on banana are to be gradually reduced to zero between 2002 and 2006.

Market integration through regional and bilateral trade agreements

There is a significant increase, concurrent with the development of the GATT/WTO multilateral trading system, in the number of bilateral and regional trade agreements being made. Nearly all WTO members are now party to at least one regional trade agreement. The issue of liberalization of agriculture has only in recent years figured large in regional trade negotiations. Although regional and bilateral agreements have used various approaches to reducing barriers to agricultural trade, nearly all maintain some degree of protection, especially for sensitive products such as sugar, cotton or rice. It appears that the increased number of regional trade agreements – and greater degree of product coverage in those agreements – negotiated after 1995 was stimulated by some countries wishing to speed up trade liberalization after multilateral trade talks (Uruguay Round) began to founder in the late 1980s.[21]

[21] Sheffield, Sharon. *Agriculture, GATT, and Regional Trade Agreements.* US Department of Agriculture, Economic Research Service, 1998.

Similarly, a number of developed countries have also granted comprehensive tariff and quota-free access to LDCs in response to the ongoing need to restructure special preferential schemes to provide these countries with trade and development opportunities. The most prominent of these arrangements is the European Union EBA initiative. Other developed countries, including New Zealand, Norway and Switzerland, have adopted similar schemes of duty and quota-free market access for LDCs. The Africa Growth and Opportunity Act (AGOA) offers similar access for selected African countries into the United States.

The United States has also improved its special preferential scheme for Caribbean and Central American countries under the Caribbean Basin Trade Partnership Act (CBTA), for clothing in particular. The United States also expanded GSP product coverage and offered duty-free access to agricultural exports from LDCs. The number of bilateral and regional trade agreements continues to expand in the Americas for all but the most sensitive of agricultural products, and includes the North American Free Trade Agreement and the recently negotiated Central American Free Trade Agreement. The Free Trade Area of the Americas (FTAA) is expected to expand free trade and investment reciprocally throughout the western hemisphere.

The AGOA is a new scheme for trade and investment cooperation in Africa, passed by the United States in 2000. This trade agreement offers duty-free preferential access to selected African countries, in particular for horticultural products, along with certain clothing assembly products and textiles. Regional trade integration in Africa is evident from increased support for the African Economic Union and South African Customs Union, and a recent announcement by 11 central African countries of their intention to establish a free trade area by the end of 2007. The plan spearheads a programme intended to revitalize the Economic Community of Central African States (CEEAC), in which Angola, Burundi, Cameroon, Central African Republic, Chad, DR Congo, Republic of Congo, Equatorial Guinea, Gabon, Rwanda, and Sao Tome and Principe are participants.

New free trade area agreements between the European Union and South Africa, Mexico, Chile and MERCOSUR have come into effect, potentially altering market access and ACP preferences for the European Union and its new accession members from the former Eastern Bloc. China has concluded a free trade agreement with Thailand and announced its intention to enter into bilateral free trade agreements with all ten country members of the ASEAN group. Again, significantly, many of these agreements substantially exclude the most sensitive and important of agricultural commodities such as sugar, rice and cotton.

With multilateral trade negotiations for agriculture faltering and continuing to be contentious, negotiators have not meet the various deadline set over the last few years for a new WTO agreement. Meanwhile bilateral and regional trade agreements are increasingly offering the scenario to create or divert trade between countries, promoting or restricting the potential for further market integration in food products. Agriculture is bound to be

subject to further contentious and complex negotiation, particularly with regard to highly sensitive products such as sugar, cocoa, cotton, banana and coffee.

Important commodities in developing country agricultural trade[22]

Sugar

Sugar production and exports are crucial for many developing countries but trade and prices have been falling. Domestic supports and tariff levels are high in developed countries, creating huge trade distortions which the Uruguay Round has done little to reduce. Significant progress in the Doha Round is important for many countries, particularly as market growth is occurring primarily in developing countries.

Sugar cane or beet is produced in over 130 countries, with sugar cane accounting for 65–70 percent of global production. Developing countries will account for nearly all future production growth to the end of 2010, raising their share from 67 percent in the period 1998–2000 to 72 percent by 2010. There has been considerable consolidation in the industry, with the top ten producers accounting for 70 percent of world output in 2001, up from 56 percent in 1980.

World sugar consumption is expanding, reflecting rising incomes and shifts in food consumption patterns. Developing countries account for more than 60 percent of current global sugar consumption and are expected to be the primary source of future demand growth, particularly those in Asia.

International trade in sugar and sugar products has contracted because of increased sugar production by countries that heavily subsidize their domestic sector. This has been narrowing markets for traditional exporters, including those under preferential trade agreements. The proportion of production exported has declined. Sugar exports are fundamentally important to many developing countries, primarily because preferential access agreements entitle developing country exporters to receive the higher domestic prices of the European Union or the United States for their sugar, instead of facing the very low 'dumped' world sugar price. Despite these preferential access agreements, export values decreased from US$ 9.8 billion in 1980 to US$ 6.4 billion in 2001 because of lower prices and volumes. This is even more pronounced for the LIFDCs, whose share of world exports decreased from 42 percent in 1980 to 15 percent in 2001.

[22] For detailed information on commodities and agricultural trade policy, and other issues relevant to ongoing multilateral trade negotiations, refer to FAO Trade Fact Sheets on Sugar and Cotton, available at www.fao.org

Protective supports in developed countries have encouraged the use of alternative sweeteners such as high fructose corn syrup, eroding the natural sugar market, especially in the United States where rapid substitution of cheaper corn sweeteners for sugar in the 1980s resulted in reduced import quota volumes for many developing countries and, hence, declining export earnings from sugar.

Brazil, with the lowest sugar production costs in the world, is the only developing country to have dramatically increased its sugar exports over the last five years, driven by record production, ethanol deregulation and currency devaluations.

There is significant government intervention, both domestically and internationally, in the world sugar economy. The United States and European Union create the greatest degree of distortion in world markets by maintaining high domestic prices in the face of depressed world prices. OECD expenditure on producer support amounts to well over half the total value of world sugar trade.

The European Union sugar regime operates under the Sugar Protocol and Special Preferential Sugar (SPS) regimes with fixed quota levels. Increased market access for LDC sugar-producing nations will be granted as part of the European Union's EBA initiative, but this increase is at the expense of existing ACP quota holders who face erosion of preferential access and prices over the next six years. Sugar production contributes 20 percent of GDP and employs 30 percent of the workforce in ACP sugar-producing countries.

Sugar programme supports in the United States depend on a tariff rate quota (TRQ) based on domestic output. Production increases have reduced import quota volumes to the WTO-mandated minimum. This decline and price erosion has redirected production from developing countries onto the world market. Low output capacity and high production costs have forced many Caribbean sugar-producing nations into crisis: Cuba, Jamaica and St. Kitts-Nevis have either closed their industries, diversified former sugar cane areas or are searching for ways to improve the efficiency of their sugar industries.

Market access will be of considerable concern during the Doha Round. Sugar tariffs are high relative to other agricultural products, and subject to trade policy tools including tariff rate quotas, export subsidies and reference pricing. Domestic supports are also high and include production quotas, producer price guarantees, processing loans, regulated consumer prices, limits on production of alternative sweeteners, and state protection or intervention through ownership or investment in domestic industries.

Uruguay Round negotiations resulted in minimal reductions in sugar trade distortions. Market access has not improved and production subsidies weight global markets against developing country exporters. Global adjustment to significant sugar policy reform could be considerable;

production may gravitate toward the most efficient, low-cost cane-sugar producers, including Brazil, Guatemala, Colombia, and those of southern and eastern Africa.

Cotton

Many developing countries are increasing their production of and trade in cotton, with the help of new technologies, and the industry is an important rural employer. Major exporters such as the United States and European Union support cotton production and exports, driving down international prices and thereby limiting production growth in developing countries. Import tariff reductions, and import quota removal will bring major changes to the cotton and textile/apparel markets, intensifying competition among suppliers.

Cotton is an internationally traded commodity as well as a major employment generator. The International Cotton Advisory Committee (ICAC) estimates than more than 100 million farming units worldwide are directly engaged in cotton production, with many more in ancillary activities. Major players in cotton production and trade include China, India, the United States, the European Union and central Asian and African states. China's cotton output has fluctuated considerably, but it is the world's largest exporter of apparel and remains a potential market for raw cotton exporters. With biotech cotton and new, low-cost producers, and with the implementation of the Agreement of Textiles and Clothing (ATC), world cotton production is expected to grow by 1.5 percent annually. This will increase trade in cotton to 6.5 million tonnes by 2010, about nine percent higher than the current level.

Most of the growth in end-use cotton has been in developed countries, which increasingly import clothing and textiles from developing countries. Mill consumption and imports of raw cotton are increasing in developing countries, particularly in industrializing Asian countries. While the trade in raw cotton is predominantly from developed countries to developing countries, trade among developing countries is growing. Burkina Faso, Benin, Côte d'Ivoire and Mali in West Africa, along with Egypt, Sudan, Zimbabwe and Tanzania, are increasing their cotton exports. More than 20 percent of Africa's raw cotton is now exported internationally. Developing countries in Asia absorb 55 percent of global imports, with Europe accounting for much of the remainder and Mexico also a significant importer.

Domestic subsidies in certain developed countries distort cotton production and trade. The United States and European Union, which together account for 25 percent of world output and 35 percent of global exports, support their cotton farmers, encouraging higher production and exports and depressing global prices. Producers in many developing countries, including many in Africa, face restricted export markets and lower returns. According to ICAC, farm subsidies to cotton farmers in 1999 amounted to US$ 4 billion in the United States and US$ 800 million in the European Union. A study by ICAC estimated

that such subsidies and those of other developed countries have depressed the world cotton price by about 20 percent, a loss of US$ 300 million to African cotton-exporting countries.

Export earnings contribute significantly to food security in many African countries. Cotton production accounts for five to ten percent of GDP in Benin, Burkina Faso, Chad, Mali and Togo; this group of countries has proposed that cotton subsidies become a central issue in the WTO negotiations at Cancun, and that countries engaged in subsidizing production should compensate African cotton farmers. Brazil has announced to the WTO Dispute Settlement Body its intention to discuss cotton subsidies with the United States. If domestic support levels were reduced in developed countries, world prices would rise, encouraging higher production in cost-effective producing countries, including many developing countries.

Restrictions on trade in textiles and apparel have severely impacted on global trade of these goods. Tariff reductions for all manufactured goods including textiles and clothing have been proposed under the Doha Development Agenda (DDA). If this happens the world cotton market could face some dramatic changes. Since most developing countries have higher tariffs on textiles (around 20 percent compared with around 10 percent in most developed countries) and consume, on a per capita basis, only 25 percent of world textiles, these reductions would increase demand for natural and manufactured fibres in developing countries. Given their population, developing country markets could be the major driving force in fibre demand.

On the other hand, implementing the ATC would remove all quotas on textiles and clothing by 2005 in addition to any tariff reductions agreed upon, and would intensify competition in world textiles and clothing. Many high-cost textile-producing countries in both developed and developing countries could be forced out of textiles and clothing to become textile importers, significantly changing cotton trading patterns. Several major textile-exporting countries such as China, India, Indonesia, and Pakistan may become major importers of raw cotton.

Banana, and other fruit and vegetables

Exports of banana and other fruit and vegetables are increasingly important for many developing economies. There are few subsidies for producers in developed countries and tariffs are low. However, tariff escalation does take place with processed produce such as fruit juice, and there are extra phytosanitary controls in many countries that affect imports of fruit and vegetables. There is a demand for harmonization of technical standards and treatments of exports, which have an impact on production processes and agrochemical practices.

Fruit and vegetables are important commodities for developing countries seeking to diversify exports. World trade in all categories has significantly increased, while the value of exports

from developing countries increased by US$ 4.5 billion from 1992 to 2001, up 55 percent, from 31 to 37 percent of total world exports. The value of world fruit and vegetable exports was US$ 34.6 billion in 2001. Fruit accounted for almost 60 percent of this and vegetables for a little over 40 percent. The main fruits were citrus (21 percent), bananas (19 percent), grapes and apples. The value of trade in tropical fruits (mango, papaya, pineapple and others) is slightly under US$ 1 billion (5 percent). The most traded items are tomatoes and onions.

Developing countries account for virtually all exports of banana and tropical fruit, and about half the trade in citrus. The value of exports such as avocados, melons, pears, green beans, tomatoes, asparagus, aubergines and onions is higher in developing than in developed countries, with a concentration of exports from a few countries. However, the participation of LDCs in trade is very low: between 1997 and 2001 their share in fruit export was 0.5 percent, and in vegetable export, 0.8 percent. Developing countries are less successful at adding value to their fruit and vegetables, and have a lower share in the exports of processed products – 36 percent in 2001.

Government intervention in the fruit and vegetable trade tends to be lower than in other agricultural sectors. In general, industrialized countries do not directly subsidize horticultural producers, and there are no price support mechanisms. Indirect supports exist in the form of processing subsidies (for example, citrus in the European Union), provision of phytosanitary services, and support to generic advertisement and export promotion programmes in the United States and the European Union.

The main trade interventions are governments tariffs, tariff quotas and minimum entry prices, and market access issues are complex, particularly in the case of banana. The European Union, the United States and Japan each operate a complex system of seasonal duties, quotas and entry prices to regulate fruit and vegetable imports. The European Union has two TRQs in the case of banana – one of 750 000 tonnes reserved for ACP country suppliers with zero duties, and the other of 2 653 000 tonnes with the tariff of 75 euros per tonne for non-ACP countries. Additional imports attract a prohibitive tariff. In practice, this system has protected exports from ACP countries to the European Union while limiting exports from Latin American suppliers. The European Union has announced that this will be replaced by a tariff-only system in 2006. Depending on the tariff chosen, this may result in higher imports from Latin American countries, lower imports from ACP countries and a fall in prices in the European Union. As Ecuador, Costa Rica and Colombia account for 60 percent of the world export value for banana, tariff levels negotiated for 2006 will have significant implications for their banana sectors.

Tariff escalation is apparent in the fruit and vegetable sector, with tariffs on imported processed produce generally higher than on fresh produce. Fruit juice and fruit preparations are subject to higher tariffs than fresh produce in the European Union, Eastern Europe, North America and Southern Africa. Very recently, a number of developing countries and developed

countries began to protect their domestic industries. Developing countries have raised tariffs, introduced tariff quotas and occasionally banned imports of selected fruit and vegetables.

Phytosanitary controls imposed by importers are critical for developing countries exporting fresh fruit and vegetables. These controls are particularly stringent in the United States, Australia and Japan. Between 1995 and 2000, nearly 270 SPS measures were introduced against imports of fresh fruit and vegetables worldwide. A major hindrance to fresh produce trade is the lack of harmonized technical standards and treatments for exports. Some countries apply the Codex Alimentarius for maximum pesticide residue limits (MRLs) while others apply their own, often stricter MRLs that may only partially conform to the Codex. Quarantine regulations are another serious impediment. Measures to prevent bio-terrorism are likely to increase the administrative and regulatory burden on exporters of fresh fruit and vegetables.

Coffee

In terms of value, coffee is one of the most important globally traded commodities and is critically important to millions of rural households throughout the world. It is the primary source of income for an estimated 25 million small coffee farmers in more than 50 countries.[23] Coffee is emblematic of the problems faced by commodity exports from developing countries. Price falls for coffee have been particularly dramatic: after a brief recovery in the mid-1990s when buffer stocks were cleared, by 2001 real coffee prices had fallen to levels lower than ever recorded. In real terms, coffee prices today are less than one-third of their 1960 levels and, for many producers, less than the cost of production.[24] Some have attributed this phenomenon to the market fundamentals of supply and demand, although there seem to be many differing conclusions as to the causes of the current coffee crisis.

Trade policy concerns in global markets tend to focus on the impact of tariff escalation on the coffee sectors of developing countries, as tariffs on processed coffee discourage the development of processing industries at source. The European Union, for instance, applies an average duty of 9 percent for processed coffees, while countries such as India and Ghana have duties on instant coffee of 35 and 20 percent respectively. Tariffs are generally low between developed countries.

Developing countries primarily export unprocessed coffee. The largest proportion of coffee is imported in its raw state, in the form of unroasted green coffee beans. In general, coffee-exporting countries have liberalized their coffee industries by dismantling national

[23] *Eastern and Central Africa Programme for Agricultural Policy Analysis*, 2003. Newsletter, 7(1)
[24] *Falling Commodity Prices and Industry Responses: Some lessons from the international coffee crisis*, David Hallam, Commodities and Trade Division, FAO, 2003.

marketing boards and commodity agreements, leaving them vulnerable to fluctuations in the world market price and fundamental factors such as weather.

Most state trading enterprises have made room for private exporting entities. The state has taken on the role of a regulatory power, setting rules and regulations. In 2000, for instance, the Côte d'Ivoire government established the ARCC (Coffee and Cocoa Regulatory Authority) to regulate the activities of the coffee sector.

Food safety concerns are quite significant in the coffee sector as well as issues related to toxic residue levels (pesticides), export quality of coffee beans, use of molecular biology to improve coffee production, regulatory procedures at the processing level in developing countries, shipping, and storage of coffee beans.

Coffee is of critical strategic importance in terms of rural development and employment. Most rural producers are smallholders and the income derived from coffee production and export earnings is fundamental to their livelihood. For instance, in Uganda three-quarters of the population earn money from coffee production and export. Coffee also illustrates how changes in global market structures, with industry consolidation and shifts in purchasing patterns, affect the whole supply chain, and how the gains from liberalized agricultural trade are distributed.

Market structure and trade in agricultural products

Policy barriers to trade in processed agricultural products are significant, but when they are reduced other factors come to the forefront, largely because of the way in which supply chains are structured. As agricultural commodity chains become increasingly dominated by small numbers of TNCs and distribution companies, the gap between what the consumer pays for a product and what the producer gets paid, and between consumer prices in industrialized countries and world commodity prices, widens.[25] In 1996, for example, 50 percent of roasted coffee was sold by just four companies, and the number of cocoa trading houses in London has decreased from 30 in 1980 to around 10 in 1999.[26] Similarly, the six largest chocolate manufacturers account for half of world chocolate sales.

For traditional commodities, the growers' price is a very low share of the final price, and can range from 4–8 percent for raw cotton and tobacco to 11–24 percent for jute and coffee.[27] The International Coffee Organization (ICO) reported export earnings for coffee-

[25] See, for example, Morisset, "Unfair trade: the increasing gap between world and domestic prices in commodity markets during the past 25 years", The World Bank Economic Review, 12(3): 503-26, 1997. OECD, 1997.
[26] UNCTAD 1999, *The world commodity economy: recent evolution, financial crises, and changing market structures*. Geneva, UNCTAD. (TD/B/COM.1/27)
[27] OCDE, *Market access for the least developed countries: where are the obstacles?* Paris, OECD (OECD/GD/(97)174).

producing countries at US$ 10–12 billion in the early 1990s, with the value of retail coffee sales, mostly in developed countries, at around US$ 30 billion. In coffee year 2000/2001, producing countries received just US$ 5.5 billion of the US$ 70 billion value of retail sales. Greater access to developed country markets would enable developing countries to gain from value-added exports.

This disparity, between retail values of coffee vis-à-vis the earnings of small coffee producers, illustrates how small farmers are often marginalized in heavily commercialized export marketing channels. Their situation now compares unfavourably with previous arrangements under which small producers may have benefited from the role played by the state in primary marketing channels. Governments ensured stable market outlets and price discovery for commodities, in this way providing a safety net. Increased privatization and liberalization of agriculture, not only in coffee supply chains, has eliminated state intervention that could have more readily signalled impending crises among small farmers who cultivate cash crops for export. Moreover, this privatisation has resulted in further exclusion from international markets, forced rationalization and worsening household food security for many of the world's most vulnerable farming households.

A gendered analysis of agricultural trade

A gendered analysis of the functioning of agricultural trade is rooted in the understanding of globalization as a process of transnationalization of capital and expansion of the market economy. Decisions about resource allocation and countries' economic specializations now tend to be defined beyond national borders. It is in this context that states and traditional national stakeholders face the redefinition of their conventional roles, and new economic actors such as TNCs have emerged to play significant roles in food processing and marketing.

Assessing the impact that agricultural trade may have on gender disparities, and how these gender asymmetries came into being, country by country, gives rise to intricate issues. Trade in agricultural commodities take place in a complex environment, where multiple market arrangements and agreements coexist. Liberalization of specific commodity markets may favour some producer countries and certain categories of farmers. Other economies and types of producer may lose their market share, and face further restrictions as their import capacity and purchasing power are affected by the decline in export revenues.

Household food security is a major issue to consider when assessing the impact of the AoA, especially from the viewpoint of a gender analysis. As already shown in section 2, women's contribution to food and agricultural production in most developing countries is significant. Women represent a substantial share of the agricultural labour force, as independent small farmers or as agricultural workers.

Another pressing issue relates to the functioning of female gender roles, in agriculture and in society as a whole. Women are generally associated with non-economic and unpaid work, most of which takes place within the so-called reproductive economy. The reproductive economy supplies labour and social capital to the economy at large and transmits social and cultural values. Although that contribution is not registered in the system of national accounts since no market value is given to the labour involved, the increased demand for female labour in trade-related activities has huge implications for women's burden in the reproductive sphere.[28]

Ongoing negotiations over liberalization of agricultural trade, as stated in the AoA, call for substantial reforms in agricultural policies, the elimination of export subsidies, reductions in

[28] Elson, Diane; Evers, Barbara and Gideon, Jasmine 1995. *Gender-Aware Country Economic Reports – A synthesis.*

trade-distorting support and in all domestic support.[29] However, those reforms may end up undermining existing international commitments and national policies adopted to protect fundamental rights, such as the right to food, which has been recognized as a fundamental human right in Article 25 of the Universal Declaration on Human Rights, Article 11 of the International Convention on Economic, Social and Cultural Rights, and Article 14 of the Convention on the Elimination of all forms of Discrimination against Women (CEDAW).

The impact of the current multilateral trade regime for agriculture on national and household food security, and on rural economies, is of crucial concern for development, especially for the ways in which it exacerbates the existing social and gender disparities described above.

Global market integration and its implications for small-scale farming and gender inequalities

Small farmers in developing countries – and women farmers in particular – are increasingly excluded from the emerging globalized food economy. Smallholders are typically among the poorest of the rural population. Constraints historically faced by rural women (usually among marginalized groups in rural areas who lack access to productive resources), hold women back from adopting new technologies, increasing their economies of scale or more fully participating in marketing channels higher upstream. Trends indicate that smaller farmers in developing countries are increasingly abandoning or selling farms, leading to land concentration and expanded commercial crop production.[30] Two recent examples from Latin America point to ways in which the concentration of production and processing tends to exclude smallholders from agriculture. Over the past four years, 61 000 small dairy farmers in Brazil have abandoned the sector, unable to lower transaction costs and remain competitive under consolidated retail and processing outfits. In Guatemala, meanwhile, where glutted wholesale vegetable markets are giving way to an emerging consolidated food service, one successful farmer cooperative experienced a severe reduction in tomato producers, from 330 down to 6 in just one year. Cooperative members surviving the consolidation purchased land from those forced to exit.[31]

A strong gender imbalance is fostered by this process of agricultural transformation and concentration of production and resources, as most women farmers tend to hold small-scale and family farms while men, more likely to own medium-sized or large scale commercial farms, are in a better position to capitalize on the expansion of agricultural tradable goods (Young and Hoppe, 2003; Joekes, 1999).

---

[29] *Negotiations under the Doha Development agenda (DDA)*- uncertainty in the MYNs after Cancún Ministerial falls to produce agreement. Website of FAO and Liaison Office with the United Nations, Geneva. FAO-LOGE, 2003.

[30] Brigitte Young and Hella Hoppe, Freidrich-Ebert-Stiftung, 2003. *The Doha Development Round: Gender and Social Reproduction*, Occasional Paper No. 7.

[31] Tom Reardon, 2003. *Comments on US AID program steps to help small farmers and firms sell to supermarkets in developing regions.*

Although increased trade may promote investment, and the development of large-scale commercial farming and cash crops for export, it threatens household subsistence farming and small-scale production systems. The rapidly changing international environment has pressured farmers in developing countries into adapting and introducing technological improvements in their farming techniques in order to be able to compete in the domestic market with cheap agricultural imports and the large-scale production units of TNCs. Farmers unable to survive in this environment generally abandon agriculture. Women, usually in the majority among small and subsistence farmers, are not able to take advantage of the opening of new market opportunities for agriculture. As indicated by FAO, women's agricultural activities are limited by a lack of financial capital as well as constrained by inadequate access to productive resources.[32] Women tend to present low levels of mechanization and technological inputs, which translates into low productivity.

The intensification of agricultural trade fosters the commercialization of small farms. Integration with the market tends to generate broader changes in rural livelihoods and usually includes diversification of household income, and engaging in off-farm activities or migrating to areas in which waged labour is required. This change in income source affects all types of household capital assets, from the physical and financial to the social and environmental, and interacts with other components of the livelihood system.[33] Household resources tend to be reallocated in favour of cash crop intensification, which may undermine household food production and the role traditionally held by women in being primarily responsible for family food security.

FAO Distance Survey on gender impacts of small farming commercialization

In 2001, FAO launched a project to research the implications of small-farming commercialization (SFC) on gender relations at the intra- and inter-household, and how development projects are addressing those effects. A distance questionnaire was submitted to a sample of practitioners working on 16 SFC projects assisted by international organizations and NGOs in 14 developing countries (Ghana, Kenya, Niger, Tanzania, Zambia, Cambodia, China, India, Myanmar, Pakistan Bolivia, Dominican Republic, Guatemala and Honduras).

According to the survey informants, development of small-farming commercialization is part of a more comprehensive change in rural livelihoods, which, in the majority of cases, includes off-farm activities and migration. This change affects all types of household capital assets (physical, financial, social and environmental).

According to the survey findings, the origins of commercialization should be sought in the spontaneous development of the market economy or in major policy interventions such

[32] Ibíd.

[33] Warren, Patrizio, *Distance Survey on Gender Impacts of Small Farming Commercialization*. Farm Management and Production Service and Gender and Development Service. FAO, 2002.

as trade liberalization and agrarian reform. A variety of factors enable or constrain the subsequent development of commercialization. Survey findings also indicate that SFC initially tends to be based on intensified staple crop production but, in most cases, is replaced by some form of crop diversification in subsequent stages. Various site-specific combinations of staple crop intensification and crop mix diversification were identified, suggesting that the intensification and diversification aspects should be considered, in the form of in-depth case studies, as two complementary and often overlapping dimensions of SFC development.

In most cases, rural households paid significant economic and social costs to attain the benefits of SFC. The increased income made possible by commercialization required, in almost all the cases surveyed, a parallel increase in household workload although no significant gender difference seemed to exist in carrying this workload. Findings suggested the ambivalence of the impact on rural livelihoods: monetary income brings purchasing power but entails losses in the human economy and social reproduction. The cost of buying in replacements for household food production, child care, social activities, leisure, education, creative expression, and so on may outstrip the purchasing power of the extra cash. There is a need to better understand (and if possible quantify) the costs and benefits involved in the 'labour for money' exchange taking place in rural livelihood systems as a result of SFC. Women involved in SFC, however, had a double economic disadvantage when compared with men. First, women continued to be fully responsible for 'reproductive' work such as pregnancies, childcare, housekeeping and so on. Second, men controlled the income generated by SFC, even if women had invested an equal or higher amount of labour in its generation.

The social benefits of commercialisation, such as self-reliance, social status and empowerment, were perceived by informants throughout the sample to be evenly distributed between men and women. In about half of the cases, SFC's impact on women in terms of household decision-making and status in the community were considered neutral or negative.

All respondents expected some kind of positive effect on gender relations as an outcome of project-assisted commercialization activities, but only one-third of the surveyed projects conducted a thorough gender analysis. An additional third of informants believed that actions aimed at strengthening the promotion of gender awareness in the community are needed to improve the gender sensitivity of SFC-supportive activities. This suggests that those development practitioners consulted felt the need for better integration between 'commercialization' and 'gender' in the project approach.

Source: *Distance Survey on Gender Impacts of Small Farming Commercialization*, Final report, FAO, 2002

As FAO's research shows, rural households bear significant economic and social costs to attain the benefits of small farm commercialization (SFC) and the expansion of tradable goods. The increased income generated by commercialization requires a parallel increase in household workload. Findings suggest the ambivalence of this impact on rural livelihoods: monetary income brings purchasing power but entails losses in the human economy and social reproduction.

As agriculture becomes progressively more market-oriented, rural households can find themselves dependent on monetary income to fulfil family food basic needs. Women in rural areas are traditionally responsible for providing food for the family and may be forced to diversify their livelihoods, seek off-farm employment or emigrate. As a result, rural women

find themselves with an increased work burden; they continue to hold their traditional primary responsibility for household tasks while integrating into the labour market.

Moreover, the switch over, in market-oriented economies, of agricultural land use to cash crops and exports appears to impinge on food growing; the new land use and management strategies do not attempt to sustain household and community livelihood strategies as a safety net and solely reflect a short-term economic profit-oriented focus.

Expansion in commercial crop production may have an adverse impact on smallholders and local domestic markets but, at the same time, export-oriented production may help to increase off-farm employment opportunities for women in the short term. Although wages are low, off-farm sources of employment for women in Ghana and Uganda seem to play an important role in yielding the lowest and most rapidly declining rural poverty rates for female heads of households.[34]

Women who have traditionally grown their family's food and move out in search of off-farm employment may suffer from a shortage of food supply from the family plots, with implications for the family's nutritional status.

New economic opportunities for women in agriculture?

The increased input of female labour into agroprocessing and manufacturing export activities tends to be associated with the ongoing process of liberalization in trade and investment, and with the expansion of TNC operations in developing economies. These new job opportunities do not always result in improved living conditions for women and their families. Heightened demand for female labour is not usually associated with higher wages but is widely observed to be associated with an increase in flexibility of the labour market. This generally goes hand in hand with low wages, lack of social protection, and poor contractual conditions such as very short-term contracts with reduced benefits, long working hours, and no rights of association, all of which exacerbate the exploitation of women and child labour.

Non-traditional agricultural exports of horticultural or high-value products increasingly involve women's labour. In the cut-flower sectors of Colombia, Ecuador or East Africa, for instance, women may have experienced higher levels of employment and direct income in the short term, although these benefits are somewhat mitigated by health and environmental

[34] Constance Newman and Sudharshan Canagarajah, 2000. *Gender, Poverty, and Nonfarm Employment in Ghana and Uganda*. World Bank Working Paper.

hazards and unsustainable agricultural production methods. In other areas, such as in the production of coffee or cocoa in African countries, the increased commercialization of export crops has shifted the distribution of income away from women, by reducing food crop production on family farms, and is not necessarily associated with higher income.[35]

The greater involvement of female labour in producing export crops does not correlate with a substantial increase in women's income, owing to low wage-levels, and women's contribution to family income may actually decline (Joekes, 1999). In monetary and non-monetary terms, this may further reduce her bargaining power within the household. In addition, since a large part of rural women's contribution to the household livelihood is not monetary, in order to estimate women's gains from job remuneration in exports it is necessary to consider the opportunity cost of women's labour.

There are few cases where women have been able to benefit from the intensification of trade, either as paid labourers or as farmers. In the short term, women farmers in NTAEs tend to be better placed to enjoy some of the benefits of export promotion. They nevertheless face an uncertain future and likely constraints on expansion, given that those exports usually focus on non-essential products or, in the case of medical plants, herbs and species, items of very low added-value, oriented towards restricted markets.

While women in rural areas may benefit from increased employment in the agro-export sector, they also tend to bear a disproportionate share of the costs associated with the conflicts and crises of the trade liberalization era. Following the East Asian crisis of 1997–98, for instance, around 25 percent of those who dropped out of the labour force were women, compared to 7.4 percent of men. Additionally the number of women with more flexible and short-term contracts in agricultural related activities rose.[36]

Two omissions in agricultural trade policies and negotiations: women's participations and social reproduction

Multiple economic, social and political initiatives aimed at empowering women have been undertaken during the last 30 years but women's participation in public decision-making is still very low. In agriculture, their participation in policy-making is even more restricted because women's role as farmers in their own right is seldom recognized. Agricultural planning institutions and farmers' organizations have very few women in decision-making positions, and agricultural policies generally do not integrate women's concerns or take

[35] Ibíd.
[36] Asian Development Bank, 2000. *Reinventing a new Social Contract.*

account of women-specific factors associated with agriculture and rural development. The failure of domestic agricultural policies to consider gender concerns is then reflected in the absence of gender considerations in the formulation of trade policies. The contribution women make to the rural economy and social reproduction remains silent.

Trade negotiations have tended to undervalue the fundamental issues of human development and social reproduction, in which other crucial economic factors – such as the nurturing of human capital and labour, knowledge, social stability, and of individuals' active participation in the economy as producers and consumers – are also rooted. Discourse on economic development, likewise, has increasingly focused on economic growth and factor productivity within the last two decades, while human development and well-being seem to have vanished as developmental goals.

As national economies further integrate into the global economy, individual countries and even households will become more sensitive to fluctuations in the international market. In this new context, social policy acquires increasing relevance as an instrument to ensure social equity and development. The progressive elimination of border trade barriers and the reduction of protective measures for domestic farming in developing countries impose a broader challenge to national governments to compensate the loss of the population groups that are displaced and driven out of their farms due to external shocks and market reforms.

The loss of traditional social safety nets in rural areas tends to be exacerbated by increased migration and labour mobility resulting from the decline of family farm and the demand for employment in export-oriented activities. The migration of relatives heightens the vulnerability of rural families and in particular increases the burden women carry. Rural families tend to lose traditional support systems, "the ability to retreat to subsistence production, close family links and support from the community", on integration into the global economy; while the social security systems suited to a modern industrial economy are not in place to fill the gap (Stewart, 1998). [37]

[37] *Social Policy in an Era of Trade Intensification*. Asia Gender and Trade Network, 1998.

Conclusions

- The intensification of agricultural trade fosters the commercialization of small-farm production. This growing integration into the market tends to generate a broader change in rural livelihoods, which usually includes diversification of household income, wage labour from off-farm activities, and migration. Household resources, including land, tend to be reallocated in favour of cash crops. This may undermine household food production and women's traditional role as primarily responsible for family food security.

- Long-standing constraints faced by rural women, in terms of a lack of access to productive resources (land, credit, inputs, transport, extension services, storage, technical assistance, and market opportunities and know-how), prevent them from adopting new technologies or increasing their economies of scale. Productivity is constrained and their ability to switch into higher-return crops severely limited. In general, women tend to be worse-placed, when compared with men, to shield themselves from the negative effects of trade liberalization or to take advantage of the possible positive effects.

- Domestic policies and incentives may force women to reduce the time devoted to attending farm plots, which are the basis of food security, and seek employment in the export-oriented sector. Women may then find themselves responsible for earning an income in addition to fulfilling their role as food providers for the household – added to which is the unpaid work in the reproductive economy that it falls to women to manage.

- As market operations become more concentrated and globalized, smallholders – in particular women – are increasingly excluded. Smaller farmers in developing countries are increasingly abandoning or selling farms, leading to land concentration and expanded commercial crop production. Smallholders, often unable to lower transaction costs and remain competitive, are forced to abandon production. Trade liberalization, while opening domestic markets to food imports, may also crowd out domestically-grown food.

- Within households, resource allocation is gender-biased, with women often having less control over benefits. The majority of women farmers tend to hold small-scale farms, while medium-scale and large commercial farms are more likely to be owned by men who are thus in a better position to capitalize on the expansion of agricultural tradable goods. Where women are engaged in commercial farming, their sales receipts are often

controlled by the men in the family. In Uganda, for example, a large proportion of women are engaged in the export sector but do not market their own produce, and therefore do not reap the benefits from their work.

- Gender-based inequalities in control over resources not only influence the ability of women to benefit from trade liberalization but also impact on a country's capability to respond to trade policy changes. In export-oriented, semi-industrialized countries it may be possible to argue that wage gaps stimulate investment and growth, but this does not seem to apply in agricultural economies. The existence of powerful gender inequalities may hinder a successful export performance in agricultural economies where smallholder producers are predominant. If agricultural countries want to benefit from agricultural trade liberalization and increase agricultural production and productivity, constraints such as access to credits and fertilizers for women should be addressed.

- The rapidly changing international environment has placed greater pressure on farmers in developing countries to introduce technological improvements in their farming methods, in order to compete in the domestic market with cheap agricultural imports and with large- scale agrifood companies active in international markets. Those farmers unable to compete in this environment tend to abandon agricultural production. Women, who represent the majority of small and subsistence farmers, are among the least able to benefit from any possible opening of new market opportunities for agriculture.

- The impact of commercialization on rural household livelihoods is often ambivalent, entailing an increase of monetary income at the same time as losses in household food production, social activities, childcare, education and leisure. As agriculture becomes progressively more market-oriented, rural households may become increasingly dependent on monetary income to fulfil basic family food needs.

- Potential benefits for women from trade liberalization often seem to derive from a movement into non-agricultural sectors rather than from improvements within agriculture. Those opportunities, however, do not always result in improved income and living conditions for women, often being characterized by low wages, lack of social protection and poor contractual conditions. Women's contribution to family income may decline in real terms, which may further lower her bargaining power within the household.

- In the short run, women farmers active in non-traditional agricultural exports tend to be better placed to enjoy some of the benefits of export promotion. Longer term, prospects are uncertain and face constraints in view of the non-essential nature of these exports and their low added-value.

- Women's participation in decision-making in the agricultural sector is low, and agricultural policy tends to neglect women's concerns and the women-specific factors of rural development. This omission is then transferred wholesale into the formulation of trade policies, where trade negotiations perpetuate the undervaluing of fundamental issues related to the goals of human development and social reproduction.

- Traditional social safety nets in rural areas of developing countries tend to wither away during the process of integrating into the global economy. The vulnerability of rural families, and of women in particular given the additional burden they face, increases with the migration of their relatives that results from the decline of the family farm and the move into export-oriented activities.

- In the context of agricultural trade liberalization, market privatization and globalization, social policy acquires ever more relevance as an instrument by which to ensure social equity and development. The progressive elimination of trade barriers and reduction of protective measures for domestic farming in developing countries impose a broader challenge to national governments to compensate the costs incurred by specific groups, including women farmers.

- An increasing body of literature on gender-related aspects of trade has been emerging over the last decade. However, there is little empirical information available about women's involvement in trade expansion, and the impact of agricultural trade liberalization on women's rights and roles in agriculture and the rural economy, nor on gender equality more broadly speaking.

Bibliography

ADB. 2000. *Reinventing a new social contract.* Manila, Asian Development Bank.

APROVED. 2002. *EPAs, What's in it for women?, Women in Zimbabwe: Issues in Future Trade Negotiations with the EU,* November. Association of World Council of Churches related to Development Organizations in Europe

Barrientos, S., *et al.*2001. *Gender and ethical trade: A mapping of the issues in African horticulture*.

Bello, W. 2003. *Multilateral punishment, the Philippines in the WTO: 1995–2003.* Bangkok, Focus on the Global South.

Beneria, L. & Lind, A . 1995. *Engendering international trade*.

Blowfield, M. & Gallet S. 1998. *Volta River Estates (VRE) Fair-trade bananas case study.* University of Greenwich, London, Natural Resources Institute. (mimeo)

Briones, A. 2002. *National study: Philippines, organic agriculture and rural poverty*. Bangkok, Economic and Social Commission for Asia and the Pacific.

Budu, B. 2001.*The contribution of banana and plantain production, consumption and marketing to food security in Ghana*.

Cagatay, N. 2001. *Trade, gender and poverty.* UNDP.

Cardero, M.E. 2000. *The impact of NAFTA on female employment in Mexico*.

Carswell, S. 2003. A family business: Women, children, and smallholder sugar-cane farming in Fiji. *Asia Pacific Viewpoint*, 44(2): 131–148. Blackwell Publishing.

Durano, M. 2002. *Social policy in an era of trade intensification: A perspective from Asian women.* International Gender and Trade Network.

Eastern and Central Africa Programme for Agricultural Policy Analysis. 2003. Newsletter, 7(1).

Elson, D., & Evers, B. 1996. *Gender-aware country economic reports: Uganda*. GENECON Unit. (Working Paper)

Elson, D.; Evers, B. & Gideon, J. 1995. *Gender-aware country economic reports – A synthesis*. GENECON Unit. (Working Paper)

ECLAC. 2002. *Report*.

FAO. 1994. *National sectoral report on women, agricultural and rural development*. Rome.

FAO. 2002. *Distance survey on gender impacts of small farming commercialization, Final report*, by P. Warren. FAO Farm Management and Production Service (AGSP) & Gender and Development Service (SDWW). Rome.

FAO. 2003. *The state of food and agriculture,* Rome.

FAO. 2003. *Agricultural transformation and gender considerations in Caribbean economies*. Rome. (Working document)

FAO. 2003. *Gender, the key to sustainability and food security*. Plan of action: Gender and development. Rome.

FAO. 2003. *Rural women: Key to food security*. FAO Gender and Population Division. Rome. (Unpublished)

FAO. 2003. *Trade reforms and food security: Conceptualising the linkages*. Rome.

FAO. 2003. *Trade reforms and food security project: GHANA*. FAO Commodities and Trade Division. Rome.

FAO. 2003. *Trade reforms and food security project: UGANDA*. FAO Commodities and Trade Division. Rome.

FAO. 2003. *WTO Agreement on Agriculture: The implementation experience*. Developing country case studies, FAO Commodities and Trade Division. Rome.

FAO. 2003. *Food security and agriculture in the Low Income Food Deficit Countries: 10 Years after the Uruguay Round*, by P. Pingali, & R. Stringer. Food and Agriculture Policy Notes. Rome.

FAO-LOGE. 2003. *Negotiations under the Doha Development agenda (DDA)- uncertainty in the MYNs after Cancún Ministerial falls to produce agreement*. Available at www.fao.org.

Farinde, A.J. 2003. *Moving women from subsistence to commercialization: Issues and policy imperatives*. Paper presented at the International Workshop on Gender Impacts of Commercialization of Smallholder Agriculture, organized by FAO/IITA.

Fontana, M. 2001. *Modelling the effects of trade on women: A closer look at Bangladesh*. IDS Working Paper 139.

Fontana, M. 2002. *Modelling the effects of trade on women: The case of Zambia*. IDS Working Paper 155.

Fontana, M. & Joekes, S. 1998. *Global trade expansion and liberalization: Gender issues and impacts.*

Gammage, Jorgensen, McGill & White. 2002. *Framework for gender assessments of trade and investment agreements*. Washington, DC, Women's EDGE Global Trade Program.

GENTA. 2001. A preliminary enquiry into impacts of trade liberalization on women in Zambia. Gender and Trade Network in Africa.

GENTA. 2001. *Trade liberalization: Impacts on African women,* by Gender and Trade Network in Africa. International Gender and Trade Network.

Glipo, A. 2003. *An analysis of the WTO–AOA review from the perspective of rural women in Asia*.

Hallam, D. 2003. *Falling commodity prices and industry responses: Some lessons from the international coffee crisis*, Commodities and Trade Division. FAO. Rome.

IFAD. 2000. *Gender strengthening programme for Eastern and Southern Africa*. Rome, International Fund for Agricultural Development.

IFPRI. 2002. *Empowering women and fighting poverty: Cocoa and land rights in West Africa*. Rome, International Fund for Plant

International Gender and Trade Network. 2002. *Trade intensification in Asian economies: What it means to women's work.*

Joekes, S. 1999. A gender-analytical perspective on trade and sustainable development. *In* UNCTAD, *Trade, sustainable development and gender*. New York and Geneva. (UNCTAD/EDM/Misc.78)

Kassente, D.; Lockwood, M.; Vivian, J. & Whitehead, A. 2002. Gender and the expansion of non-traditional agricultural exports in Uganda. *In* S. Razavi, ed. *Shifting burdens: Gender and agrarian change under neoliberalism*. Geneva, United Nations Research Institute for Social Development (UNRISD).

Koehler, Gabrielle. 1999. *Agriculture and commodities: Gender issues proposed for research*. Division on Investment, Technology and Enterprise Development, UNCTAD.

Madonsela, W. 2002. *Trade liberalization in the agricultural sector on African women: Links with food security and sustainable livelihood.* Network Women in Development, Europe (WIDE).

Malapit, H. 2001. *A review of literature on gender and trade in Asia*. Asia Gender and Trade Network.

Mbiliny, M. 2003. *Gender myths and feminist fables: Repositioning gender in development policy and practice*. IDS.

Morisset, D. 1997. Unfair trade: The increasing gap between world and domestic prices in commodity markets during the past 25 years. *World Bank Econ. Review*. 12(3): 503–26.

Newman, C. and Canagarajah, S. 2000. *Gender, Poverty and Nonfarm Employment in Ghana and Uganda.* World Bank Working Paper.

OECD. 1997. *Market access for the least developed countries: where are the obstacles?* Paris, OECD (OECD/GD/(97)174)

Olawoye, J. 2003. *Issues and policy implications for gender and the commercialization of smallholder agriculture*. Paper presented at the International Workshop on Gender Impacts of Commercialization of Smallholder Agriculture, organized by FAO/IITA.

Oliveros, T. 1997. *Impact of new world trade regime on peasant women in the Philippines*. Third World Network (TWN).

OXFAM. 2002. *Cultivating poverty: The impact of US cotton subsidies on Africa*. Oxfam Briefing Paper 30.

Paul, R. 1999. *Impact of Banana Supply and Demand Changes on Income, Employment and Food Security in St. Lucia*, FAO.

Randriamaro, Z. 2002. *The WTO AoA and food security for small-scale African farmers from a gender perspective*. GERA Programme/TWN-Africa.

Reardon, T. 2003. *Comments on US AID program steps to help small farmers and firms sell to supermarkets in developing regions*. (mimeo)

Robinson, N. 2001. *Small Island Developing States caught between elephants and hippos*. Copenhagen, Paper paper presented at 27 October workshop, *Women and Development,* organized by Kvindernes Ulandsudvalg (KULU).

Sengooba, T. 1996. *Agricultural research: Strategies to incorporate gender.*.

Sheffield, S. 1998. *Agriculture, GATT, and regional trade agreements.* US Department of Agriculture, Economic Research Service.

Stewart, 1998. *Social policy in an era of trade intensification*. Asia Gender and Trade Network.

Stevens, C. 2003. International trade, livelihoods and food security in developing countries. Institute of Development Studies, IDS Working Paper 215.

UNCTAD, 1999. *The world commodity economy: Recent evolution, financial crises, and changing market structures*. Geneva, UNCTAD. (TD/B/COM.1/27)

UNDP & CICETE. 2003. *China's accession to WTO: Challenges for women in the agricultural and industrial sectors*. UNDP and China International Centre for Economic and Technical Change.

UNDP. *Sustainable rice production by indigenous women*. Available at http://tcdc.undp.org/tcdcweb/experiences/vol3/Rice%20Production.pdf.

USGTN. 2002. *Breaking Boundaries II, The free trade of the Americas and women: Understanding the connections*. United States Gender and Trade Network.

Wedderburn, J. 2002. *Trade integration and gender*.

WEDO. 1999. *A gender agenda for the World Trade Organization*.

Williams, S. 2003. *Gender labour dynamics, investments and income distribution*. Paper presented at the International Workshop on Gender Impacts of Commercialization of Smallholder Agriculture, organized by FAO/IITA.

Women's EDGE, Global Trade Program. 2002. *Framework for gender assessments of trade and investment agreements*.

Young, B. & Hoppe, H. 2003. *The Doha Development Round, Gender and social reproduction*. Freidrich-Ebert-Stiftung Occasional Paper No.7.

Gender and Population Division
Sustainable Development Department

Food and Agriculture Organization of the United Nations

www.fao.org/gender

TC/D/A0493E/1/5.06/500