



**Address by Ivano Baberini, President,
International Co-operative Alliance
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Mr. Chairman, distinguished participants and quests, ladies and gentlemen,

I have the great pleasure to be here with you today, and I consider it as my privilege as the ICA President to present my speech in this important event of the World Farmers' Congress. I am sure you may know the International Co-operative Alliance that represents the world co-operative movement with over 230 national co-operative organizations constituting 760 million individuals in more than 100 countries. And many of them are agricultural co-operatives.

I also would like to make you know that about 409 million farmers or roughly 80 percent of farm families are organized in various agricultural co-operatives over the world. Then you can imagine how largely and vastly farmers' interests have been put into co-operative movement. To this fact alone, therefore I should be particularly happy to discuss the issues and concerns raised in this Congress today.

Ladies and gentlemen,

Despite of many international dialogues and political commitments fascinated from the start of this Millennium, the global goals of eradicating poverty and sustainable development will not come true unless we take a concerted effort to address the mounting problems currently faced by agriculture and farm communities in the world.

For this first of all, we need to have a deep understanding about agriculture and the farmers as they are differently situated in various conditions.

Agriculture is the engine for growth and the key for sustainable development. Farmers in underdeveloped countries are largely landless and often on marginal land, and therefore vulnerable with many disabilities and poorness. Women mostly suffer from these exclusions. Mobilizations of self-determined development efforts, empowerments by self-help organizations can enable them to escape from their vicious circle.

Agriculture produces food and fiber and many other public goods. But also it can produce negative impacts to environments when chemicals and non-renewable resources are overused. Capital intensive farming itself is risky and often produces pollutions. Consumers become more and more conscious in quality, food safety and environment. Sound farming and thoughtful policies should be

on it. A self-responsible organization of farmers, which is co-operative who concerns community in its organizing principle, can carry out the sustainability.

Agriculture in general cannot be an easy industry per se because it is basically depended on a plot of land with inherent natural conditions, and hence vulnerable to the natural disasters. Natural settings may differ from one to the other for which farmers need seek their proper technology and financial means in a collective manner.

Yet oligopoly in buying inputs and oligopsony in selling farm produces has been prevailing. And yet price fluctuations often threat financial sustainability of farmers. It is inherently because of the demand inelasticity of farm commodity in general. Co-operative bargaining is the key to address this unfairness.

Even though farmers understand well the implications of trade agreements and carefully observe the international price movements, price-lowering mechanism continues to force them out from farming. Often they are blamed as inefficient by the reform policies.

But looking the background, there are overriding occupancies of the up-and-down stream industries and its monopolistic concentrations with worldwide network, according to the many fact-finding reports. In this regard, I would like to strongly support the adoption of the IFAP Policy paper on this matter. Cooperatives, farmers and international organizations such as IFAP and the ICA must work to give back the control of governments to the voting public.

So what co-operatives themselves can do for this challenging situation? Some large co-operatives in Europe were able to merge into a trans-national co-operative. However, we still believe that our genuine 'co-operative advantage' can work on it in the most localities. It is the time now to mobilize the 6th co-operative principle that is 'cooperation among co-operatives'. ICA member co-operatives are organized in various sectors - agriculture, fisheries, consumers, banking, health, housing, insurance, tourism and workers. The potential is enormous if organized in the possible cooperation, as I believe.

Ladies and gentlemen,

Already we can find the examples in between with consumer co-operatives. The 'fair trade' movement looks to give fair prices to farmers outside the conventional markets. These cooperatives and the fair trade brands help provide a greater return to their members and a more secure future for their communities. Health care cooperatives, worker cooperatives, housing cooperatives, farm machinery cooperatives to name a few are available to communities that no longer have a tax base to support these services. Our approach to the solving the problems in the rural areas needs to be more comprehensive.

Ladies and gentlemen, I am extremely happy to make you know that I came here to discuss our cooperative development work with IFAP under the framework of the Committee for the Promotion and Advancement of Cooperatives (COPAC in short). It is also noted that our discussion will be an integral part of the ICA Global Co-operative Campaign Against Poverty.

Ladies and gentlemen, let me conclude my speech with this word made by an excellent friend, Najam A. Robins. He said that *'Seizing the Future' is the act of envisioning the 'future possible' as opposed to the 'future probable' that we take the first steps towards outlining the strategy that could take us from where we are to where we want to be and could be¹.*

Thank you very much!

¹ Najam A. Robins, 2002, "Seizing the future: The South, Sustainable Development and International Trade", International trade and Sustainable Development, Kevin Gallagher and Jacob Werkman ed., Earthscan Publication Ltd.