

The world's rich nations miss a golden opportunity to back fair trade

Level 1 | Elementary

1 Pre-reading | Key Vocabulary

Match the words with their meanings

- | | |
|------------------------|--|
| 1 subsidy | a a meeting between the leaders of important countries |
| 2 aid | b the seeds of plants such as wheat or maize |
| 3 ummit meeting | c grown at home and not imported |
| 4 developing countries | d money which a government gives to producers to make products cheaper |
| 5 locally grown | e poor countries without much industry |
| 6 grain | f the business of farming |
| 7 agriculture | g a terrible situation that kills a lot of people |
| 8 disaste | h money or food which rich countries give to poor countries |

2 Scanning: Find the Information

Look in the text and find this information as quickly as possible.

- 1 Where was the G8 summit meeting last month?
- 2 What percentage of working people in Africa work on farms?
- 3 How much is cheap insurance worth to US grain exporters?
- 4 How much cheaper than the world price is cotton exported by US producers?
- 5 Which country receives more food aid? The Philippines or Zimbabwe?

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George Monbiot

Both the European Union and the United States give subsidies to their farmers. This means that they give money to their farmers, which makes it possible for the farmers to produce food at a cheaper price. It also means that they sometimes have too much food. When this happens, they often give this food to poorer countries in Africa and Asia. This is called "food aid". But there is a problem with this food aid. When cheap food from the EU and the US is sold in poor countries, the price of this food is much cheaper than the price of food grown by local farmers. The food aid doesn't help the farmers at all because they cannot sell the food they produce at a fair price. They have to sell their products at a lower price and this means that they remain very poor.

In a speech in October 2001, the British Prime Minister, Tony Blair, said that this situation should change. He said that the food situation in Africa was terrible and that the whole world had to work hard to help Africa.

So what was Britain's prime minister doing at the G8 summit meeting in France last month? A few weeks ago President Jacques Chirac did something very surprising. France was always against changing the European farm

subsidy system, but President Chirac told the US government that if the Americans stopped subsidising their food exports to Africa, Europe would do the same.

This was an important offer. The West's agricultural subsidies are a disaster for the developing world, and particularly for Africa. 70% of working people in Africa work on farms, and most of the farmers there are very poor. One reason for this is that subsidised food from Europe and the US is much cheaper than locally grown food.

So did Mr Blair welcome President Chirac's offer? No, he didn't. The reason is, of course, well-known. George Bush receives a lot of support from the US agricultural industry, and he was not willing to remove subsidies to farmers.

So, thanks to Mr Blair and his master President Bush, Africa will continue to suffer. The basic problem is that the rich nations make world trade rules. The current world trade agreement says that the EU and the US are not allowed to subsidise food exports. But both the EU and the US use tricks to avoid this rule. The US gives exporters cheap insurance, for example. This is worth \$7.7 billion to US grain exporters. This money means

that US exporters can sell wheat and maize at a price 10% to 16% cheaper than the world price. They sell cotton at 40% below the world price.

Many countries give money to poor countries and the World Food Programme can use this money to buy supplies in local markets and this helps local farmers. But the US sends subsidised food instead of money, saying that this programme will "develop markets for US products".

The result is that the countries which receive this aid are not the poorest countries that need the aid most but the ones that could be good markets for American farm products. This is why, for example, the Philippines receives more US food aid than poor countries like Mozambique, Malawi, Zambia and Zimbabwe.

The US also sends food aid when it is least necessary. When the world price of wheat falls, the amount of food "aid" rises. The programme that is meant to help the poor is in fact making them poorer.

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3 Comprehension check

Choose the best answer:

- 1 Why are subsidies bad for farmers in Africa?
a because they make imports more expensive.
b because they make imports cheaper.
c because they are in the form of money.
- 2 Why did President Chirac's idea fail?
a because the EU did not support it.
b because the Americans did not support it.
c because poor farmers in Africa did not support it.
- 3 Who makes the world trade rules?
a the rich countries.
b the poor countries.
c the EU.
- 4 Why does the Philippines receive more US food aid than Mozambique, Malawi, Zimbabwe and Zambia?
a because it is a poorer country.
b because it is a better market for US products.
c because it pays more money.

4 Vocabulary: Opposites

Find words in the text that are the opposites of these words:

- | | |
|------------------|-------|
| 1 more expensive | _____ |
| 2 rich | _____ |
| 3 higher | _____ |
| 4 imports | _____ |
| 5 unknown | _____ |
| 6 unwilling | _____ |
| 7 above | _____ |
| 8 most necessary | _____ |

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5 Vocabulary: Prepositions

Fill the gaps using a suitable preposition.

- 1 The EU and the US give subsidies _____ their farmers.
- 2 The farmers can then produce food _____ a cheaper price.
- 3 Subsidised food is cheaper than food grown _____ local farmers.
- 4 Subsidies are a disaster _____ poor countries.
- 5 70% of working people in Africa work _____ farms.
- 6 Bush receives a lot of support _____ the US agricultural industry.
- 7 The US sends food instead _____ money.
- 8 The Philippines receives more aid than Zambia, _____ example.

6 Spelling

Re-arrange the letters to make words from the text:

- | | |
|---------------|-------|
| 1 reframs | _____ |
| 2 prussigrin | _____ |
| 3 cinneraus | _____ |
| 4 sensecary | _____ |
| 5 dissisnibug | _____ |

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Key

1 Key Vocabulary

1 d; 2 h; 3 a; 4 e; 5 c; 6 b; 7 f; 8 g

2 Scanning

1. France
2. 70%
3. \$7.7 billion
4. 40%
5. The Philippines

3 Comprehension Check

1 b; 2 b; 3 a; 4 b

4 Opposites

1. cheaper
2. poor
3. lower
4. exports
5. well-known
6. willing
7. below
8. least necessary

5 Prepositions

1. to
2. at
3. by
4. for
5. on
6. from
7. of
8. for

6 Spelling

1. farmers
2. surprising
3. insurance
4. necessary
5. subsidising