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Study Abroad Research Context

Over a period of one month, I conducted fieldwork in two regions of Mali: Sikasso, the major cotton-producing region in the south, and Bamako, the capital city. My research began in Bougouni, a large town in Sikasso that serves as the hub of activity for many of the surrounding cotton villages. Living with a family there, I was able to gain insight into the perspectives of Malians who are both directly and indirectly involved in cotton production. I also conducted multiple interviews with officials from the *Compagnie Malienne pour le Développement des Textiles* (CMDT) throughout my brief four-day visit. From Bougouni, I took a rough trek over dirt roads to the tiny cotton village of Dogo, only accessible to visitors like me on the weekly market day. Spending an intense ten days in Dogo provided me with invaluable insight into the life of the Malian cotton producer.

My information was acquired from interviews, documents and experiences. I found it necessary to conduct both formal and informal interviews depending on the circumstances. Formal interviews were most effective when speaking with officials in professional environments, such as at various CMDTs and other governmental and non-governmental organizations. However, I found villagers to be intimidated in a formal setting and I was often dissatisfied after scheduled interviews with cotton producers and other villagers. The most effective strategy in Dogo and Bougouni was simply to spend all day sitting in the most popular meeting places to “causer,” or chat, with the villagers while drinking tea. It was in this relaxed environment that I quickly developed friendships that allowed me to engage in more open and free discussion. Such an informal setting was also ideal for sparking lively, and informative, debates between villagers. The camaraderie I developed with cotton producers after they worked long days in the fields also created a trust that was essential, because it allowed them

to feel comfortable about letting me record their stories. My interview with Youssoef Niomelele is one of the interviews that most affected me because his situation starkly contrasts with the experience of American college students such as myself. He is an 18 year-old cotton picker who is also attempting to go to school.

I spent the last two weeks of my study in Bamako conducting interviews and reading through literature on cotton. While most of my interviews in Bamako were formal, I was also lucky enough to attend many informal social events of the international community. At these gatherings, I took part in discussions with experts of multiple nationalities and specialties. Conversations like these greatly widened my perspective and allowed me to consider factors that I may have not otherwise considered. A final element that added to my research were the multiple meetings I attended with an Oxfam delegation composed of many distinguished officials of the American political, religious and civil communities. The meetings between the Oxfam delegation and various representatives of the Malian government and cotton sector created a remarkable dialog between the two interests.

It is with this research, and these experiences, that I wrote this paper in the hopes of accurately portraying the stories of the countless cotton producers I came to know. I understand the complexity of the problem and recognize that there are no easy solutions. I believe the theory of Bakary Tagola, a producer who humbly explained to me: "I am not an intellectual, but I know that if there is no more smaller people, the bigger powers won't live at all." In other words, cotton production in Mali is a microcosm for the struggle between the weak and powerful in international politics.

My international experience provided me with the tools and inspiration to produce a research project that has had an incredible effect on what I have been able to achieve once back in the United States. While abroad, I realized how fortunate I am to live in a country where I can speak out against, and potentially influence, policy. The cotton producers had no way of expressing their grievances; yet, I was able to compile their stories and bring them back to the United States in an attempt to help make their voices heard.

Cotton Production in Mali: Subsidies or Sustainable Development?

Introduction

Current trade rules concerning cotton subsidies are intricately linked with poverty and hunger in Mali. Over half of Mali's economy and over 30 million people depend directly on cotton. It is the main cash crop and the most important source of export revenue. Cotton also plays a key role in development policies and in the fight against poverty by attracting investment in physical and social infrastructure, and by providing producers with an essential source of income. Therefore, cotton subsidies have become an increasingly controversial topic with the decline of world prices and subsequent devastation of cotton producers. The price decline began in the late 1990s and hit a thirty-year low in 2001/2002 when the EU, China and the US increased subsidies to six billion dollars.¹ A complete elimination of cotton subsidies is necessary to encourage the sustainable development of Mali and to secure the rights of severely marginalized and impoverished cotton producers. This paper will explore the effect of cotton subsidies on Mali at both an international level of trade rules, and a personal level of the individual Malian cotton producer.

Background

Cotton fiber production in Sub-Saharan Africa has increased rapidly with the 150,000 tons produced in the 1970s swelling to over 1 million tons today.² Sub-Saharan Africa production accounts for about 7% of world output with Mali as the leading grower by a margin of 100,000 hectares. The country's total of 550,000 hectares makes it the 10th largest producer of cotton in the world.³ Yet, Mali also ranks among the least developed countries in the world, with an overall gross domestic product estimated at 3.9 billion dollars in 2003.⁴ As Mali's leading commodity, cotton accounts for about half of all exported goods and is absolutely crucial to its economy.⁵

Most of Mali's cotton is produced in the southern region and is overseen by the CMDT. CMDT is co-owned by the Malian government with 60% of the share, and the French company, Développement des Agro-Industries du Sud (DAGRIS), with the other 40%. The CMDT gins fiber from cotton grain and exports 99.9% of the fiber on the world market, with 0.1% being sold to domestic industries.

The cotton sector is vertically integrated with the Malian government on top, the CMDT below and the producer unions on the ground. There are two

independent producer unions that are organized into village associations through the CMDT. The unions sit on the “National Committee” in charge of negotiating a guaranteed minimum price paid to the producers each year. The CMDT, the government and the producer unions negotiate a price by considering the cost of production, the world price and the price of neighboring countries. For the 2003/2004 season, producers have agreed to a price of 200 CFA (equivalent to about 40 cents perkilo).

Once the price has been agreed upon and released, the producers decide how much land they can afford to plant. Each village then applies to the CMDT for a desired amount of hectares. The CMDT responds with a number of hectares to till, insuring they will buy that harvest. In good years, the CMDT augments the minimum price with a portion of its profits. Producers have a right to 58.3% of the company’s revenue, 49.6% of which is redistributed to the producers in June or July of each year. The remaining 8.7% is placed in a bank under the name “Fonds de Soutien,” (funds to maintain the minimum price).⁶ The Fonds de Soutien are supervised under very strict management and audited every year. All decisions concerning the funds are handled by the “Comité de Gestion de Fonds de Soutien” in which the producers are the majority but other cotton societies of the state are present. The CMDT also uses profit from good years to pay back debt of years when it sold at a loss.

Unfortunately, the CMDT has not made a profit in many years. The leader of the producers union in Bougouni, Mody Diallo, explained why this year was “another difficult year.”⁷ The CMDT suffered a deficit of 47 CFA because it made all projections using the world price of 500 CFA. The producers also made all budgetary provisions based on that projection. However, the CMDT bought this year’s cotton fiber from the cultivators at 200 CFA and was only able to sell it on the world market at 490 CFA. The CMDT sold at a loss because the production costs, (such as ginning and transportation), augmented the CMDT’s fiscal input to exceed its earnings on the world market. Diallo explained how the World Bank demanded that the CMDT lower the price given to producers to 185 CFA. However, the government refused because the price was already fixed in April to 200 CFA. Decreasing the price would create a replica of the producers’ strike in the 1999/2000 season.

Cotton Producers’ Strike

For many producers, the 1999–2000 strike was the first time they became directly aware of the negative effects of international price fluctuations on their revenue. The strike was a reaction against the CMDT’s adjustment

of the guaranteed price that they had already released at the beginning of the marketing year. The original agreement had similar terms to the previous season: a minimum price of 150 CFA per kilogram, which the CMDT would later supplement with an additional 35 CFA at the end of the commercialization period. However, in 1999 the international price for cotton fell from 920 CFA to 630 CFA, causing the CMDT to suffer losses totaling about 37 billion CFA. Consequently, at harvest, the CMDT prompted outrage in producer communities by renegeing on the agreement and only paying producers 155 CFA.

After multiple heated negotiations, the government agreed to adjust the price from 150 CFA to 160 CFA.⁸ However, when the CMDT announced this price, the producer unions responded by calling for a strike. The producers had already planned for the price declared in September. With the new price, the producers would not only be denied a profit, but also would not be able to pay back the credit they borrowed in September. When villagers cannot pay back credit it causes discord by breaking up the system of solidarity essential for tiny Malian cultivating villages. This support system allows villagers to slowly accumulate capital, such as oxen and plows, by borrowing from each other. When a villager cannot pay back his loans it sours relations between villagers and perpetuates the cycle of poverty.

Producers boycotted the 2000 season's price by refusing to plant cotton. The result was a 53% drop in total area planted (from 482,000 hectares in 1999/2000 to 228,000 hectares in 2000/2001). Cotton production decreased to around 232,000 tons of seed cotton, about half of the previous year's production. The devastation was enormous, grossing a loss of at least 20 billion CFA francs (\$29 million) in potential revenues. Many cultivators were forced to sell all the capital they had accumulated throughout their career, further limiting their capacity to escape poverty and improve their standard of living.⁹

S u b s i d i e s

Seydou Keita, chief sector of the CMDT in Dogo, explained how even an isolated cultivating village, such as Dogo, is directly dependant on world cotton prices. A visitor to Dogo must journey over sixty kilometers off the paved road before reaching the cluster of mud huts and expanses of cotton fields that constitute this tiny village. Situated in the Sikasso region, Dogo is the perfect paradigm of a Malian cultivating village. The population of 490 people survives off 70 hectares of cotton fields owned by 47 producers. One of the largest hardships facing this village is the lack of security in daily life. Only one crisis, such as a lack of rain, an insect infestation or a change in world

cotton prices, could result in the loss of life for many villagers. Keita explains the strike of 2000 in Dogo:

Life wasn't easy during the strike, most villagers were forced to sell all they had to survive; they were forced to sell their animals, tools and cereal. Cotton is the only product that the cultivators gain money from. Therefore, when cotton prices are low, cultivators must find ways to survive the year with absolutely no money. If this price drop continues, Mali will be at a loss of 30 billion. But that depends on the Americans, if you stop subsidizing, the price will augment.¹⁰

Subsidies are usually government payments to support farmers who gain low prices for the agricultural commodities they sell. However, a large portion of US subsidies finance extensive commercial farms whose output accounts for more than half of total US output. These producers are able to cultivate cotton at costs lower than the median due to the government's support.

Mali does not subsidize its producers. The World Bank dictates that Malian producers must use the actual price of cotton, without any protectionist measures. Therefore, the small-scale producers must absorb all the input charges with whatever revenue they collect after the commercialization period, assuming there is revenue. However, cultivators often cannot bear these costs because they are forced to compete on the same world market with more developed countries whose cultivators are supported by subsidies.

Production costs should be lower in Mali than in the US because the Malian climate is better suited for cultivating cotton. However, the producers in the United States are able to sell their cotton for less because US subsidies cushion the increased production cost. An employee at the CMDT in Bamako, Abdoulaye Traore, voiced his belief that "the cost of production for one hectare in Mali is maybe equal to US subsidies for one hectare."¹¹ He is correct. US assistance to producers for the years 1997–2002 was \$5,902,291 dollars with an average of about 69.4 cents/pound or 157 CFA/kg. The total cost of production estimated respectively by the CMDT, the Rural Economy Institute, and the Farmers' Union in 2002/03 is 147, 173 and 201 CFA/kg.¹²

US taxpayers are financing 25,000 American cotton producers (many of which are wealthy large-scale agribusinesses) to the detriment of over 3 million Malians who are already below the poverty line. One cotton producer lamented, "it's Mali's misfortune that we produce but the price is fixed by the world market."¹³ This injustice literally costs the lives of Malian villagers by preventing them from receiving a fair price for their labor, and thus denying

them sufficient means to support themselves and their families. A low price for cotton on the world market is devastating for Mali because 99% of Mali's cotton is exported and 50% of the economy depends on that revenue.¹⁰ The damage caused by the fluctuating world price extends even beyond Mali to the workers in all other countries struggling against the decreasing value of their toil. The declining price of cotton permeates into all sectors of the economy. It is estimated that in West Africa, \$1 of income in the rural sector generates an additional \$2.88 income elsewhere.¹⁴ Youssouf Toungara, a Bougouni cultivator, attempted to explain how cotton subsidies effect him personally:

Cotton isn't essential to the US economy, but the Malian economy is based on cotton. If the US didn't have cotton it would not matter, but here, it's crucial. We suffer because of subsidies. I produce and I suffer because I have to buy expensive imported materials and I lose the work that I do with my hands. I work hard and I don't gain anything. I have to buy medication but then I don't have enough to eat; I can't feed my family, I can't send all my children to school. When my children are sick, I can't afford to take them to the clinic. It's a cycle, if health isn't good everything degrades. African families are big, maybe 50 people depend on one cotton field. It is suffering and the solution is justice; they must sell at a fair price.¹⁵

Mody Diallo is a cultivator who was at the top of his class before quitting school to take over his father's cotton fields. He eventually rose to become the president of the Bougouni cultivators syndicate because he was one of the few villagers who could understand the economics of world cotton prices. Cotton producers formed these syndicates so that they could have a say in the fixing of cotton prices. However, many cultivators do not understand that the Malian government has very little power to determine prices. The government is only an intermediary between the cultivators and the world market, yet many cultivators hold the government responsible when it cannot buy cotton at a good price. Mody Diallo explained the reason for discord between government and cultivators:

The peasants are constantly threatening the government to increase the price of cotton or to decrease the price of imports. The CMDT was buying cotton at 210 CFA until the World Bank put terrible pressure on the government and peasants saying that they must reduce the price, but that does not work. We could not lower the price. The peasants cannot understand the world market and it caused a terrible movement in the country. A peasant can not understand the World Bank; they think it is

the CMDT or the government of Mali that lowers the price. That is why we went on strike in 2000 and that is why we are still suffering today. Everyday the peasants called Bamako and said you have to increase the price and the government said no.¹⁶

Most cultivators also do not understand that countries determine the cost of the materials they export. Therefore, the Malian government has little influence over the price of the processed materials it imports. Malian producers would greatly benefit from the added value to their cotton if Mali could manufacture goods, such as clothes, in country. However, Mali is too underdeveloped to supply the electricity and other infrastructure needed for manufacturing plants. Therefore, the government is forced to import essential goods, such as clothing or pesticides, at a high price. The cost of processed materials augments every year, concurrently increasing the cost of cotton production and living expenses. Developed countries decrease the world price of cotton by subsidizing, while simultaneously increasing the price of the manufactured goods they export. This price distortion places Malian cultivators at the mercy of manufacturing countries because they are forced to buy essential processed materials at a higher price than that which they gain from cotton revenue. One Bougouni producer protested, “we ask, if you augment the price of manufactured goods, can’t you augment the price of cotton also? Subsidies make it so that you can’t augment the price of cotton.”¹⁷

Malian cultivators are being exploited because they are working without making any revenue and, sometimes, they even are selling at a loss. The typical Malian cotton producer is already in such a fragile state of poverty that a deficit or lack of revenue is life threatening and results in great suffering. In an interview, Modibo Niamlele gave examples of the expenses of a typical cultivator to explain why he cannot properly feed, cloth or shelter his family. The information he provided is summarized in the box below.

Poverty in Malian Cotton Villages

As a typical Malian cotton-producing village, Dogo is currently struggling with the effects of low world prices. The average producer cultivates 2 hectares with basic hand tools, and sometimes a push plow. Cotton picking begins in September or October when the field owner gathers a group of about 20 villagers (men, women and children) to collect cotton for a couple of days. The collectors are not paid with money but with a guaranteed three meals a day. After collection, the villagers store the cotton in a silo until a truck from the CMDT transports it

Production Costs per Hectare of Cotton Cultivated*

<u>Type of Cost</u>	<u>Price x Quantity Needed</u>
Total Cost	
Fertilizer 17,480 CFA	1 sac = 4,370 CFA x 4 sacs
Chemical products 23,850 CFA	1 bottle = 4,770 CFA x 5 needed
Pesticides 7,000 CFA	1 bottle 4,250 CFA x 4 needed
Pickers food	200 CFA x 20 needed x 5 days 80,000 CFA

**Other production costs not factored here: 2 cows, one donkey, animal feed, animal care, planter, sacs, donkey cart, grease for donkey cart*

Profit per Hectare of Cotton Cultivated

CFA price per kg	210 CFA
Average production cost CFA/kg:	- <u>180 CFA</u>
Average profit CFA/kg	30 CFA (about 7 cents)

— At 2000 kg per hectare = 60,000 CFA (About 120 dollars per hectare)

— Average cultivator cultivates 2 hectares: = 120,000 CFA (\$240 profit per cultivator per year)

Typical living expenses that are taken out of \$240 annual profit:

Medication (2,500 CFA per visit to health center), gifts for wives, school fees/ supplies
Credit payment to CMDT , clothes for children (average 6 children), clothes for self and wives (4 possible), Food, House/ house repairs.

to ginning facilities. The Dogo Association des Producteurs (APC) supervises the village cotton production by acting as an intermediary between the independent cultivators and the CMDT. The APC is responsible for ordering seedlings at the beginning of the planting season and supervising their distribution.

Cotton collection involves working long, tedious days that are extremely exhausting and difficult on the body. Half a hectare is usually a full day's work for a group of 20 pickers. The cotton pickers tie sacks around their waists and hand pick cotton in difficult conditions characterized by intense heat and prevalent insects. There is rarely enough water or access to medical attention. In contrast, US cotton cultivation is mechanized and the producers are able to cultivate vast

fields with minimal effort. The majority of US cotton is genetically enhanced to ward of harmful insects eliminating the need for pesticides. Despite the high quality of Malian cotton and the vast amount of labor that goes into its production, Malian producers are forced to settle for a price that does not reflect their labor or cover their minimal living expenses. Mody Diallo explained his situation:

Mali cannot even sell its cotton domestically because US cotton is sold in Mali at a lower price despite the inferior quality. The profits from cotton are essential for the necessities of my daily life and the government of Mali also needs the revenue. I have to support 24 people with the revenue I earn from cotton, but I can't even pay for my children to go to school.¹⁸

Cotton is cultivated in small family farms in areas where opportunities for growing other crops are very limited and per capita income is very low. When world prices are high, cotton has a strong poverty reduction impact because it facilitates cultivators to accumulate agricultural assets such as oxen and plows. However, when prices are low, cotton producers are at a high risk due to lack of diversification and a reliance on liquid currency. Most cotton producers have focused all their labor on cotton production and stopped growing their own food supply. When cotton does not sell well on the world market, the producers have no safety net and no other crops to fall back on. The result is devastation for the millions of cotton growing families whose income correlates directly to food security.

When world prices were low again in 2003, Dogo producers, like millions of other producers, sold at a loss and faced another year of extreme hardship. Aminata Fofana of Dogo explained her situation to exemplify the destitution of a typical mother in a cotton village. Her days are long and involve cooking and cleaning for her 6 children, her husband and many relatives. Aminata sells spices in the Dogo market and also somehow finds the strength to tend her own small peanut field as well. Her mother was one of only two children to survive out of a family of originally 12 children. Aminata has lost one child and is not sure of the cause of the infant's death, although she admits that she is not able to satisfy her children's nutritional needs. The chief of the village, whose sole revenue is also cotton, makes a similar complaint of not being able to feed his children sufficiently. He holds up his sick two-year-old daughter, exposing her bloated belly and pointing to her scrawny appendages as an example of malnutrition.

The food staples in Dogo are flour, sugar, water, rice, millet, maize, bread, peanuts and tea. Some families can occasionally afford to eat meat by either buying it or hunting for it. Market meat usually consists of beef or chicken and hunted meat is most often small birds such as wild pigeon or a type of large

lizard. Powdered milk is also available to those who can afford it. The Dogo public nurse did not know the infant mortality rate but stated that the health of children is a serious problem in Dogo. Malnutrition is very frequent. Another severe health issue is the inability to access essential medical supplies due to insufficient funds. Malaria is the most frequent illness and the medication prices are a serious burden for most Dogo families.

The wellbeing of the Dogo community is strongly dependent on rainfall. Lack of rain brings thirst and famine. Dogo has a problem with usable water, especially in the months of April and May. The village is fortunate to have four wells, which were provided by the CMDT years ago. However, after the 2000 strike, the CMDT was forced to restructure and end projects such as improving village infrastructure. The CMDT was also forced to cut other social services such as literacy classes and courses in basic math, Bambara, and commercial skills. When the wells run dry, Aminata and other women are required to get up as early as 1:00 AM to search for water elsewhere. Unfortunately, water cannot always be found, resulting in extreme thirst. Dogo could greatly profit from additional funds to build more wells and other infrastructure essential for maintaining a reliable water supply.

The poverty of cotton farmers permeates into all facets of village society. For example, a lack of liquid currency has cast a great shadow over the once lively Dogo market. One vendor of spices, frustrated with her inability to sell goods, lamented that the poverty of the area has created a depressing market atmosphere. Aminata explains that the market is especially discouraging because it used to be the focal point of village social life. The decline of cotton revenue has further isolated Dogo by reducing the flow of visitors who used to frequent the weekly market. Once lively social events are now muted by poverty. The biggest holiday of the year at the end of Ramadan was another sober day in Dogo because the customary sacrifices and big feasts were not plausible. Similarly, at a baptism, a woman complained about the cheerless mood caused by meager attendance. Aminata explained that many women could not attend because they were either obligated to work in the fields or because they were too ashamed to attend without being able to present a gift to the new mother.

Youssef Niomlele, a Dogo cotton picker and one of the few 18 year-olds still in school attempts to explain his situation:

We are truly the peasants. Here in the bush we don't have a lot to eat, no vitamins or nutrition. We just eat to survive, that's it. When you cultivate cotton you don't make a lot of money. Truly you have poverty here.

That means there's no good water to drink, we don't have the materials to cultivate and after all our work, the harvest does not bring much revenue. When sickness comes to your children it is very serious because you don't have the funds to pay for their medication. Many children here die this way. For me, poverty means that I have no chance to leave Dogo. I dream of going to university but I can't make the money to leave Dogo or to continue school. Life here is depressing because there are no opportunities, nothing to do or to dream for. Hard work does not mean you can improve your life.¹⁸

Aminata confided that if she had the means, she would like to expand her participation in small market commerce. She hopes that some day she will be able to afford the supplies to make juice to sell in the market. Cotton pickers Dramane and Siritee Niomlélé also explained their hopes; They want to buy a push plow and a donkey cart. Such equipment would allow them to harvest their fields, which laid fallow this year. Other cultivators stated that they would use increased revenue to invest in their children's education. Education is valued in Dogo as a way to escape the cycle of poverty. Yet, few families can afford it. Unfortunately, even if a family does have some funds for schooling, the girls of Dogo rarely benefit because their brothers are always sent to school first.

International Reaction to Subsidies

There is practically universal agreement among those interested in international economics that ending or reducing US and EU subsidies would lead to a reduced supply of cotton and an increased price. Experts even estimate that the price of cotton would rise by about 10–15% if subsidies ended.²⁰ Therefore, African leaders, international organizations, and non-government organizations have voiced strong criticism of the price-lowering effects of US policy.

In the months leading to the fifth Ministerial in Cancun this past September, the West African cotton-producing countries formed a “*group de revendication*” (resellers' or brokers' group) to pressure the US on an international level. Blaise Comptore, of Burkino Faso, acted as the Committee President representing Benin, Burkino Faso, Chad and Mali. The African members, later supported by other countries such as India and Brazil, introduced a joint proposal entitled, “Poverty Reduction: Sectoral Initiative in Favor of Cotton.” This proposal to the WTO demanded a scheduled phase out of US and EU subsidies along with remuneration to cotton producers for the damage inflicted on their revenues. The document requested that the WTO correct and prevent distortions in world

agriculture markets: “Almost half of the direct domestic support received by cotton producers is given by the US (\$2.3 billion in the 2001–2002 season). Moreover, the US gives direct aid for cotton exports.”²¹ The report also blamed China and the EU for exacerbating the problem.

Compore claimed that agricultural subsidies of wealthy countries have thwarted the progress of vulnerable economies. Subsidies have reversed the attempts of small countries to increase their participation in global trade through strategies such as structural adjustment programs and internal macroeconomic changes. Cotton subsidies have also created a political and economic crisis not only by causing a drop in global export prices, but also by undercutting the comparative advantage of cotton producers. Compore appealed: “in the names of millions of men, woman, and children who depend on cotton for their livelihood, please help prevent a disaster.” He maintained that the joint sponsors were not asking for gifts or preferential treatment, but simply for WTO rules to be followed by weak and powerful alike.²¹

The WTO responded by coming out against the subsidizing of goods on the World Market. Officials proposed an elimination of all cotton subsidies over a period of three years (from 2004–2006) in the form of gradual decreases. This plan would completely eliminate cotton subsidies and restore the free market for cotton by December 31, 2006. The WTO also estimated the average annual export revenue loss of the West and Central African countries at about 250 million dollars and stated that compensation should be paid.²² However, this number reflects only direct losses. Expert Louis Goreux calculated that if the WTO factored in the indirect losses, the number would be multiplied by four, bringing total losses to approximately one billion dollars,²³ and countless lives. A Dogo CMDT official estimated that “If [the US] stopped subsidizing we could sell cotton at 1000 CFA or more on the world market.”²⁴

Unfortunately, the US is not complying with the WTO’s directive. US officials responded to the WTO by stating that they do understand the importance of cotton and will look into the issue. However, they do not think that ending subsidies is necessarily the best solution. Subsidizing countries, like the US, are being hypocritical by banning less powerful countries from implementing protectionist measures. The United States support of the cotton industry contradicts its spoken principles of liberalization and free trade, and goes against its commitment to the WTO and the objectives of the DOHA negotiations. There must be an equitable application of world trade rules. Lassim Ba, “chef section formation” of the CMDT in Bougouni, expressed his frustration with the impotence of Mali and the international community in the face of the US. He

stated, “If the US respected international rules the UN would have the power to help Mali, but it doesn’t respect the rules.”²⁵

US officials are correct valid in stating that other factors contribute to the suffering of the African cotton community. Many Americans involved in the cotton industry point to China as partially responsible for the damage to the African market. China does support textile and apparel production and export through credit-raising deficit, spending and exchange rate controls. However, while China is the largest cotton producer, it is also the largest cotton user (estimated 31.5 million bales consumed in the 2003–2004 season).²⁶ China’s demand for cotton is so high that it is even forced to import. Therefore, its subsidies are more of a self-contained regulation than one that spills over into the world economy. In contrast, the US has a dominating and ever increasing 40% share of global exports. While China’s protectionism is draining to the African cotton economy, it does not compare to the devastation caused by US subsidies. African cotton also faces many internally harmful policies, regulations and state interventions that play a role in reducing the competition of the African cotton market. A French textile businessman claimed that DAGRIS’s (Developpement des Agro-Industries du Sud) involvement is injuring Mali through regulations reminiscent of colonialism. Others suggest that privatization would greatly aid Mali.

Conclusion

Whether US defensive claims are valid or not, the fact remains that no other influence can compare to the billion dollar per capita damage inflicted by US subsidies. No statistic can justify the misery of the hopeless Dogo mothers whose children die each year of disease and starvation. American taxpayers are contributing \$37 million in foreign aid to Mali in an attempt to help mitigate the suffering of the 70% of the rural population living below the poverty line. However, taxpayers are simultaneously financing subsidies that cause Mali to lose \$43 million in falling export prices.²⁷ It is time for the American population to demand that the government stop using their money illogically and with harmful results. The US is acting irresponsibly by ignoring the international community’s pleas to stop the harmful practice of subsidies. To end the intense suffering of millions of Malians, the US must start practicing responsible international policy and stop subsidizing.

Notes

¹Hussein, Karim; Franck Igue. "Evenement Special: Le Coton en Afrique de l'Ouest et du Centre et Cancun." September 2, 2003.

²West African Borders and Integration, "The Cross-Boarder Intergration of the Cotton Sub-Sector." August 2003

³Harman, J. "ABT Cotton All Parts." West African Cotton Assessment. AbtAssociatesInc, USAID. September–October 2004.

⁴UNDP (2003). IMF (2004).

⁵Lamb, John; McDean Ethridge; Wallace E. Tyler. "Analysis of the African Cotton Economy in Relation to Proposed Multilateral Trade Reforms." April 12, 2004.

⁶Ministre du Developpment Rural. "Mecanisme de Determination et Stabilisation du Prix du Coton Grain aux Producteurs" May 2002.

⁷Diallo, Mody. Personal Interview translated from French by Lindsey Moore. November 6, 2004.

⁸Kéita, Sikoro. "Economic Impact of Cotton Producers' Boycott in Mali." West African Cotton Assessment. AbtAssociatesInc, USAID. August 2000

⁹Teff, James. "Mali's White Revolution: Smallholder Cotton from 1960 to 2003." West African Cotton Assessment. AbtAssociatesInc, USAID July 5, 2004.

¹⁰Keita, Seydou Bossi. Personal Interview translated from French by Lindsey Moore. November 10, 2004.

¹¹Traore, Abdoulaye. Personal Interview translated from French by Lindsey Moore. October 20, 2004.

¹²Teff, James. "Mali's White Revolution: Smallholder Cotton from 1960 to 2003." West African Cotton Assessment. AbtAssociatesInc, USAID July 5, 2004.

¹³Keita, Seydou Bossi. Personal Interview translated from French by Lindsey Moore. November 10, 2004.

¹⁴Oxfam America

¹⁵Toungara, Youssouf. Group Interview translated from French by Lindsey Moore. November 5, 2004.

¹⁶Diallo, Mody. Personal Interview translated from French by Lindsey Moore. November 6, 2004.

¹⁷Ba, Lassama; Youssouf Toungara. Group Interview translated from French by Lindsey Moore. November 5, 2004.

¹⁸Diallo, Mody. Personal Interview translated from French by Lindsey Moore. November 6, 2004.

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