

TRADE WRECK

IS MORE OF THE SAME ON THE WAY?

Since the meetings of the World Trade Organization (WTO) and the Free Trade Area of the Americas (FTAA) last autumn, governments and their trade bureaucrats have been trying to resuscitate the international trade agenda.

The WTO Ministerial in Cancun in September 2003 was a dismal failure for the proponents of free trade and was the most serious setback for the WTO since Seattle.



Photo: Bill Moore-Kilgannon.

Board member Leo Broderick and Trade Campaigner Jean-Yves Lefort march against the FTAA in Miami.

In November 2003, member countries of the FTAA barely avoided a similar scenario by agreeing to a much-watered down declaration, which allowed them to pick and choose their own level of commitment to the deal. This was hardly what the Chretien/Martin government had in mind when it spoke of a “comprehensive and ambitious” agreement.

In the recent federal election, the WTO, the FTAA and the North American Free Trade Agreement (NAFTA) were barely mentioned. During the televised debates, Conservative leader Stephen Harper challenged NDP leader Jack Layton on NAFTA saying, “Would you cancel it?” and “Would you rip it up?” Mr. Layton replied, “We do call for a re-examination of that free trade agreement, which is giving corporations, huge multinationals, the power to sue the Canadian government when democratic decisions are made. And it has hurt a great

many industries and does need to be reopened and examined. We have said it needs to be transformed.” Neither Mr. Martin nor Mr. Duceppe made any additional comments about NAFTA during the debate.

Does this mean that trade is no longer on the agenda? Certainly not. Prior to the election, the Martin government had on its agenda a number of free trade initiatives, including:

CA4 – negotiations on a free trade agreement between Central America and Canada are happening in almost complete secrecy.

Chapter 11 – negotiations are under way on a services and investment agreement with Europe that may include an investor-state mechanism, as in NAFTA.

Services – Canada is negotiating one-on-one with all WTO member countries to open up certain service sectors to foreign competition. Some time ago a leaked document revealed that Europe wants access to our water services for its corporations.

Agriculture – Canada is pushing hard to restart WTO negotiations now stalled over the issue of subsidies. Europe and the U.S. have said that they would be willing to remove their export subsidies if Canada dismantled marketing agencies such as the Canadian Wheat Board.

GATS – Both the Liberals and Conservatives are on record supporting public-private partnerships, or P3s. Under the WTO’s General Agreement on Trade in Services, any service that is supplied on a commercial basis, or in competition with one or more

service suppliers, is not considered a public service and is therefore subject to the disciplines of the GATS.

It remains to be seen what will happen in the coming months with trade under Paul Martin’s minority government. After all, the Liberal government’s record is one of support for NAFTA, the FTAA, the GATS and the WTO. And while the NDP and the Bloc have serious reservations about NAFTA and free trade in general, the Conservatives endorse it and seek its expansion.

Since many Canadians voted for the progressive Canada that Mr. Martin promised during the election campaign, the new Prime Minister would be well advised to undertake an immediate review of the impact of all trade agreements (as U.S. Democratic presidential candidate John Kerry has). And with 60 per cent of Canadians opposed to Chapter 11 provisions in trade deals, Mr. Martin could take a bold step after this review by removing Chapter 11 from NAFTA and by refusing to incorporate a similar clause in any future trade deals.

The time seems right to reject the neo-liberal mantra that “free trade is good.” The Council of Canadians and other civil society groups will be pressuring Parliament Hill for fair trade and real change.

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