

ALTERNATIVE TRADE RELATIONS BETWEEN THE EU AND LATIN AMERICA

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**Friends of
the Earth
Europe**

Address

Charly Poppe | Friends of the Earth Europe

Dear participants,

Trade justice movements, as you recall, were born some 20 years ago during the Uruguay Round, when GATT members were negotiating to create a new international organisation, the WTO. The strategies of these movements have traditionally been focussing on 'controlling damage' and blocking the advancement of the ultra-liberal agenda through massive mobilisations and popular awareness. Since then some success has been achieved when we see how delegitimized the WTO is today and how developing countries have become more assertive to defend their own interests in this forum, against the domination of the 'Quadrilateral'.

These movements have been talking about 'alternatives' to the ultra-liberal agenda from the beginning. However, for many years talking about it publicly was simply impossible; it was a daunting prospect for many people, and nobody in the institutions was there to listen to us. Besides, *resisting* to the ultra-liberal bulldozer was already a full-time job for the few campaigners that were out there, and it didn't leave much time to work on a *positive agenda*.

The good news is that this situation has changed now; the taboo has been lifted and spaces, like this one, have opened for discussing these issues in more institutional circles. This is notably thanks to evolutions in other parts of the world, which have inspired us here in Europe – like the evolutions we see now in the Andean region.

In Friends of the Earth Europe, we see there is political momentum, and we do not want to let this momentum go. Our work on alternatives to ultra-liberalism and 'free trade' has been articulated for a few years now in terms of *paradigm shift* (the need for our societies to move away from the paradigm of short-term economic growth) and *lifestyle changes* (the need to put an end to overconsumption in Europe).

But alternatives cannot just be concepts and big picture ideas about another world. They can and should also be practical and applicable in the real world. This is why we are working now on identifying a number of *concrete steps* that the European Union should take to change its Trade Policy. So far, we have identified five main areas in which alternative trade policies can be framed.

1) Shrinking trade policy and agreements

- Stop the expansion of the EU trade mandate / “Putting EU Trade Policy in its right place”
- Exclude a number of sectors and issues from liberalisation (sectors which should not obey to the “free market” logic)
- Ensure a high degree of public regulation

2) Changing the logic of trade agreements

- Cooperation instead of competition
- Fair Trade instead of Free Trade
- Serving people’s needs instead of expanding trade at any cost

3) Balancing trade agreements – placing them in a broader context

- Hierarchy of norms: Placing trade agreements under the authority of international conventions on human rights, social rights, indigenous peoples’ rights, environmental protection, biodiversity conservation, climate protection
- Rights & Obligations: balancing rights for traders and investors with strong obligations
- Precaution: subject all new trade negotiations to prior sustainability impact assessments
- Co-responsibility of home and host countries to sanction foreign investors that do not respect equitable and sustainable production, trade and distribution
- Introducing international treaties and institutions that control and sanction foreign investors where home and host countries fail (i.e. no investor-state arbitration anymore).

4) Making trade policy and agreements democratic and accountable

- Enforce real separation of power in trade policy- and decision-making
- Improve transparency of policy- and decision-making
- Ensure consultation of affected people and communities
- Regulate the influence of lobby groups
- Ensure mandate and control of trade negotiations by democratically-elected representatives
- Appoint more suitable jurisdictions to settle environment-related trade disputes

5) Strengthening global governance on environmental and social rights

(this is about everything that should happen *outside* the trade sphere)

- Give teeth to MEAs (enforcement and sanction mechanism)
- Promote alternative models and indicators to measure well-being/quality of life
- Put financial markets under control
- Implement price control mechanisms
- Establish international agreements between producer and consumer nations to stabilise prices and guarantee incomes
- etc.

I thank you for your attention.

Charly POPPE