

Global governance whose rights will prevail?

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The outcome of the WSSD debate on global governance will have a critical impact on millions of people's lives and the very future of the planet.

"What forces will prevail in international rulemaking?" This is a critical question in the globalisation debate.

More and more, global trade and financial institutions are dictating development strategies to lower income countries. Among these players, which include the World Trade Organisation (WTO), the International Monetary Fund (IMF), the World Bank and, to some degree, the United Nations (UN), some have more power and influence than others. When competing interests come into play, as they will in the upcoming World Summit on Sustainable Development (WSSD), questions of whose institutional agenda will prevail can have serious consequences for the political economy of nations throughout the world, particularly developing countries.

Conflicting rules

Since the WTO was formed in 1995, the scope of policy issues discussed under the rubric of 'international trade' has extended far beyond tariff issues. The work programme of the WTO includes such non-tariff issues as government procurement and investment.

What is the relationship between the WTO's expanded purview and the WSSD? The UN is the global institution mandated to negotiate and implement Multilateral Environmental Agreements (MEAs).

The fruits of the UN process include the Montreal Protocol (focused on ozone depleting chemicals), the Kyoto Protocol (focused on climate change) and the Basel convention (focused on trade in hazardous waste). These agreements established important protections for health and safety, community rights to resources and the conservation of natural systems. Many have enforcement powers *via* the use of trade restrictions.

Trade policy watchers fear that multinational corporations will seek to institutionally subordinate MEAs to the WTO.

But when MEAs impose sanctions for violations, these can conflict with WTO rules that prohibit trade measures. For instance, the European Union (EU) recently threatened Chile for taking measures in terms of the UN Migratory Stocks Treaty in order to stop Spanish ships from plundering local fishing grounds. Citing a basic principle of WTO (GATT Article V, Free Transit), the EU forced Chile to back down, allowing foreign fishing fleets to continue depleting the fisheries and endangering the livelihoods of Chile's coastal communities.

The recent WTO Ministerial held in Doha in November 2001 launched negotiations to 'clarify' these contradictory international rules. In other words, MEAs reached within UN structures could be challenged and dismantled by the WTO as unfair barriers to free trade.

Clash

One example of a clash between WTO policy and an MEA involves the Convention on Biological Diversity's Biosafety Protocol. Under this international convention, the South African government has the right to ban imports of Genetically Modified Organisms (eg GMO corn) if it fears that a product would pose a potential threat to public health.

Under the WTO's "Agreement on Sanitary and Phyto-Sanitary Measures", the government would not be allowed to take a 'precautionary measure' to ban an imported food product that it fears would harm consumers without conclusive scientific evidence of its harmful impact.

A fundamental question is at play for Johannesburg: "Whose rights will prevail in the global economy: the WTO rights of global corporations to plunder natural resources, or poor people's MEA rights to protect local fisheries? South Africa's MEA rights to take precautionary measures against risky GMO imports, or global seed companies WTO rights to export markets?"

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