

# Agendaless in Seattle: WTO talks could become a 'fiasco'

Nick Beams

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While its stated aim is to set the agenda for the so-called "Millennium Round" of trade liberalisation, the ministerial meeting of the 135-member World Trade Organisation which starts on Tuesday is unofficially being billed as the "Battle in Seattle."

This is a reference not only to the anti-WTO demonstration expected to number between 50,000 and 100,000 which will gather outside the conference hall but to the conflicts which will take place inside it.

Last Tuesday, after 14 days of intensive discussions in Geneva, trade envoys from the major capitalist countries gave up on their attempts to draft an agenda for the ministerial meeting, seemingly no nearer to agreement on the agenda for the round, or specific concerns such as agriculture, competition and investment policy and the enforcement of so-called "labour standards."

The US Trade Representative, Charlene Barshefsky is putting on an optimistic front insisting that "at the end it will all come together because it has to come together" and that "everyone knows that failure is not an option."

But the use of "too big to fail" rhetoric—reminiscent of the language used when a major rescue operation is mounted to save a large company or financial institution—can hardly inspire confidence. Others are not nearly so sanguine.

Following the collapse of the Geneva talks, the European Union trade commissioner, Pascal Lamy, warned there was a "serious risk" that the ministerial meeting would be unable to launch a new trade round.

A Reuters report on the failed talks pointed to "strong indications of mounting bitterness" between the US and the EU and quoted an unnamed European diplomat who denounced as "outrageous how the Americans have abused their position as host of the meeting to

push their own agenda."

While the WTO director-general, Mike Moore, insisted that "Seattle will not fail", he acknowledged that the trade ministers had gone as far as they could go and "it's now up to our political bosses to make this a success."

But they do not seem to be faring much better. As the *New York Times* reported on Wednesday: "Several times during the last few weeks [US president] Clinton and his staff have tried to get some of those political bosses—whether presidents or prime ministers—to Seattle, hoping that the pressure of gathering them in one place would force several nations to compromise. They feared that trade and foreign ministers alone could not break the impasse.

"But for weeks the White House got tangled up in the question of whom to invite, compiling lists and then abandoning them. 'Every time we put together a list of names,' a White House aide said, 'it became clear that we would make 20 enemies.'"

Finally, the White House admitted failure in its efforts to convene the top level meeting with Clinton citing scheduling and logistical problems. But the real reason was the lack of any agreement on the central issues.

The divisions between the WTO member states cut several ways. In the front rank of the disagreements is the conflict between the United States, the EU, Japan and Korea over agriculture. US trade representatives have insisted that what they call "aggressive reform of agricultural trade" is at the top of their agenda. But this they mean the winding down of subsidies to agricultural producers. The Europeans and their Japanese and Korean allies, however, maintain that there are important life style and cultural questions tied up with agriculture which make it impossible to simply

apply free trade criteria. The US dismisses these objections as providing a cover for protectionism.

Subsidies are not the only bone of contention. Another area of conflict is the issue of genetically-modified food products. The EU wants WTO rules to give greater weight to the “precautionary principle” under which countries could restrict imports until GM technology had been shown to be safe. The US demands that the burden of proof must lie with the country wanting to impose the ban, with American negotiators dismissing European objections as another form of protection.

There are disagreements over the scope of the agenda. The European Union wants to include such issues as investment and competition policy. But America is opposed, claiming that the European push for a wider agenda is largely a ruse to avoid the question of agriculture.

There is agreement between the US and EU on the inclusion of rules on labour standards and environmental issues in the WTO. But this is opposed by Japan and poorer nations which maintain that the invocation of “labour standards” is merely a means of keeping their lower-priced goods out of the American market. They also want the WTO to re-examine the anti-dumping accord, under which countries can take action against imports deemed to be sold at less than their production cost, saying this agreement is being abused by Washington.

The main push for the inclusion of “labour standards” is coming from the AFL-CIO trade union bureaucracy which is backing Al Gore in the 2000 presidential election. Opponents of this demand claim that the US stand is hypocritical as America does not enforce all the core standards set down by the International Labour Organisation and there are many examples of highly-exploited “sweated” labour in the US against which the unions take no action.

The failure to reach agreement on the agenda is sparking fears in ruling circles that the collapse of the WTO talks could see an end to the multilateral trade system and the development of trade-war conflicts.

Summing up these concerns, the latest issue of the British magazine *The Economist* notes: “There is indeed a danger that Seattle will turn out to be a fiasco: no agreement on an agenda, or a half-hearted one that will obviously lead nowhere. If that happened, it would

encourage anti-WTO groups to go on the offensive. America, the EU and Japan would increasingly be tempted by managed trade. The EU and America would redouble their efforts to carve up markets through regional preferential trade agreements that can only undermine the multilateral approach to trade.”

The expected presence of tens of thousands of protestors outside the Seattle meeting is an expression of the social impact which the “free market” agenda has had on the lives of millions of people all over the globe. As some observers have noted, when the Uruguay Round began in Punta del Este in September 1986 there were not even TV cameras present, let alone demonstrators.

But while denouncing the WTO as an organisation representing the interests of big business and the global corporations, the anti-WTO protest coalition, comprising supporters of the American right wing and neo-fascist politician Pat Buchanan, the anarchist Reclaim the Streets organisation, numerous environmental and green groups, together with sections of the American trade union bureaucracy, offers no perspective to combat the power of global capital.

While there are differences between the various groups, their common agenda is the strengthening of the national state and the re-imposition of national regulation and controls over global capital.

Their outlook is backward-looking and reactionary in the most profound sense of the word. For the working class, the alternative to the free market agenda of global capital is not a return to national regulation, but the development of its own independent program—the re-organisation of the world economy on the basis of a socialist and internationalist perspective.



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