

Trade Differently

A CALL FOR FAIR AND
SUSTAINABLE TRADE



Colophon

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Foreword



The crises that have affected the world in the past twenty years are interrelated: the financial crisis, climate crisis, refugee flows, wars in the Middle East, worldwide discrimination and polarization, outbursts of racism, loss of biodiversity, pandemics like the coronavirus, the erosion of democracy by authoritarian leaders, the violation of human rights everywhere. Naturally, these crises are different and have varying causes. However, they influence one another and are related all at once to the rise of nationalism that has come to define politics, to the transformation of twentieth-century investment capitalism into the financial capitalism that now dominates economic decisions, and finally, to the neoliberalism that has overshadowed former value systems.

A belief in the beneficial action of market mechanisms in all fields, including those beyond the traditional economy, and the replacement of public services by an appeal to individual self-reliance have marked the return of the survival of the fittest. We are

reminded of a time when it was normal to fight out wars, instead of deescalating them and containing them without the use of force. The individual crises have become part of a worldwide system crisis. When the pursuit of material economic growth is not reined in and the process of globalization is neither steered nor curbed, but left entirely to its own devices, it is the world community itself that is at risk.

Working on solutions has become increasingly urgent, certainly with regard to the climate crisis and the loss of biodiversity. Science, technology and the economy are of utmost importance for finding solutions, but their application requires institutions that underpin the system: international law, democratic decision-making and public organizations with powers at national and international level. There are fewer and fewer of these and the ones that still exist function increasingly poorly. They are even being consciously dismantled. Meanwhile, we discuss the crises and try out piecemeal

solutions, while failing to address cross-border problems as a whole. Doing so requires consensus-based political decision-making to steer the economy in a mutually desired direction, in which the law is not a dead letter, but blind and fair for everyone; in which technology is steered rather than allowed to run its own course; and in which science is at the service of the public good rather than private commercial gain.

A new world order..

Maybe the international community can only turn the tide after having gone through deep lows. After World War II, a consensus was reached worldwide: 'Never again.' A new generation of world leaders decided to build a new system, originating from common values. It was to consist of common institutions capable of applying policy instruments based on shared established rules. For the first time in history, a consensus was reached on a new world order, anchored in a new system of values and principles of international law. Such legal principles had often been discussed and proposed, but never accepted and applied worldwide. From 1945 on, a worldwide system of countries was developed, called the United Nations (UN). This system became the institutionalization of international law, which stood for the embodiment of values shared worldwide. In addition, it was agreed in treaties that all people within individual sovereign states enjoy the same rights, including equal political, social and economic rights. Countries and the world community as a whole were given the responsibility to uphold these rights, and

also the duty to protect the population, i.e., the bearers of these 'human rights'. At first the focus was on civil and political rights, but under pressure from newly independent developing countries, equal weight was later granted to socio-economic fundamental rights, such as the right to work and the right to a decent standard of living.

All of this heralded a new phase of globalization, the globalization not only of economic and technological opportunities, but also of values and institutions, in the service of common goals, such as stability and development. Stability involves the prevention and mitigation of instability in the world economy, on financial markets, in international trade and in food production. And development implies an increase in the prosperity of countries, an improvement of the living conditions of people and the overall promotion of progress. The UN institution, a new world order based on generally recognized values, signalled that international solidarity now complemented the principles of freedom and equality. For the past several decades, some countries have considered the granting of (temporary) preferential rights as a recognized method for providing more equal socio-economic opportunities to disadvantaged minority groups. Within the framework of international trade and transport, such preferential rights could be achieved by way of import tariffs, specific forms of trade protection, and export quotas for tropical products. This applied particularly to economies or economic sectors in the early stages of their development that were, as of yet, unable

to compete on their own with established economies and companies.

After the United Nations had come into existence, 1947 saw the launch of the Bretton Woods institutions – the International Monetary Fund (IMF) and the World Bank (IBRD) – that focussed on the realization and preservation of a stable world economy. In 1947, the General Agreement on Tariffs and Trade (GATT) was also signed. In the 1970s, developing countries united in their demand for a New International Economic Order (NIEO), as the rules and criteria of Bretton Woods and GATT did not sufficiently consider their situation and interests. The NIEO was never realized, although the situation of developing countries did indeed become a main topic of discussion at special UN conferences during a subsequent thirty-year span. In 1989, the end of the Cold War ushered in a period of détente, during which attention could be paid to social policy, environmental management and climate degradation.

...and its demise

The creation in 1995 of the World Trade Organization (WTO) as the successor of GATT came at the expense of the United Nations Conference on Trade and Development (UNCTAD), where many trade policy negotiations had been conducted. Afterward, UNCTAD was relegated to the position of a powerless thinktank. This could have been overcome if the WTO had functioned properly. However, the organization became paralyzed. No further

progress was made on trade policy. The attention of large countries was entirely captured by the promotion of investments of transnational corporations. The combination of neoliberalism and financial capitalism led to increased inequality between, and especially within, countries. The IMF was also affected by this. From the early 1990s, the Fund positioned itself less rigidly, but lost influence due to the rise of international banking and shadow banking, which paid no attention to rules. Meanwhile, the United States was increasingly distancing itself from agreements it had originally signed up to. It did not participate in agreements relating to the UN Climate Convention, circumvented the UN Security Council when it invaded Iraq, withdrew from a growing number of UN organisations, and undermined the WTO. Other countries followed this example, not only China and Russia, but also European Union (EU) countries, including the Netherlands. International law became a dead letter in many fields.

High time for a radical alternative

Thus, big problems have led to new crises. The greatest problem may well be that we just let things happen and no longer even try to achieve consensus on how to address the crises. The system has been dismantled. New initiatives are sorely needed for better international policies and the reform of international organizations – not a new system built from scratch, but radical restoration. At present, governments seem oblivious to the urgency of the situation, so the task rests in the hands of those within

political parties, academia, thinktanks, trade unions, humanitarian organizations, the environmental movement, civil society and the younger generation who are prepared to actively organize and take the initiative.

A few of them have picked up the challenge in this booklet, which does not present loose ideas and suggestions, but a coherent whole. New principles are formulated first, followed by the objectives to be achieved. These differ from the principles and objectives that currently apply, and the why and how of it is well argued. Next, a number of proposals are put forward regarding measures to be taken in different fields. These relate not only to international trade itself, but also to international monetary affairs, international capital movements and international public services. Developments that were not yet considered a problem when the current system took shape are also taken into account – including the climate crisis, food security, the sustainability of economic transactions, the consequences of the coronavirus and the attempts of transnational financial institutions to protect themselves and their investments at the expense of the public interest. It is these developments in particular that require a coherent policy based on a new consensus.

I hope this booklet will find its way, also and maybe especially, to the political level.

Jan Pronk
Former Dutch minister for Development
Cooperation



Trade Differently Introduction

If the corona crisis has shown one thing, it is indeed that international trade is not as far removed from people's lives as it may have seemed. We feel it immediately if the supply of goods is disrupted somewhere else the world. In the past months, all the countries of the world have had their nose rubbed in the facts. We are too dependent on the world market for our supply of essential goods, from toilet paper and medical equipment, to food and hand sanitizer. This involves great risk, particularly in view of the climate crisis.

Trade and trade agreements are necessary if economies and societies are to flourish. However, we need to break with the current free trade regime. Dominated by the interests of rich countries, large landowners in the Global South and multinational companies, this regime has for far too long facilitated the depletion of natural resources, climate change and the violation of human rights. Small-scale farmers and workers of small and medium-sized enterprises

(SME) are also the victims of this race to the bottom on the world market.

The reform of the international trade system is, like the global corona crisis, a worldwide problem that we can only address effectively through a joint effort. The Netherlands has the ambition to lead in this and the potential to do so. However, if the Netherlands genuinely wants to fulfil this role, it must itself give up on business as usual and bring about a new generation of trade agreements. International trade should occur in the service of people, animals and the environment, rather than at their expense. This booklet by the Trade Differently coalition shows not only that the change is possible and necessary, but especially how we can bring it about. Chapter 1 outlines the proposed principles underlying an overhaul of world trade: democracy and transparency, universal human rights, future viability, and coherence between policy areas. In Chapter 2 we detail the objectives associated with the principles of world trade. Then Chapter 3

suggests how trade reform can be organized at international level. Finally, Chapter 4 is a collection of concrete proposals for socially equitable and sustainable trade, spread out over five policy areas. A number of boxes throughout the text explore specific topics in depth.

Trade Differently

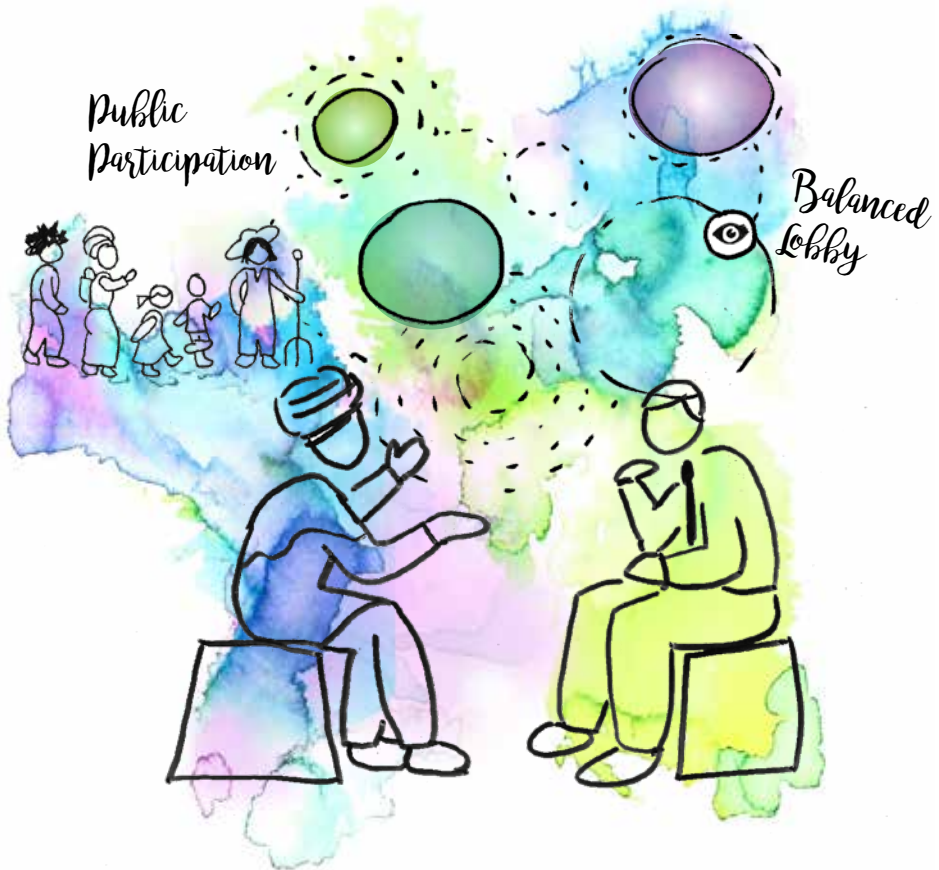
Trade Differently is a coalition of trade unions, food producers, entrepreneurs, involved citizens, and organizations active in the fields of the environment, consumption, development and research. Together we work towards sustainable and fair trade. In this publication we explain what fair and environmentally friendly trade policy might look like, and the measures to be taken to achieve this.¹

Note

- 1 This publication builds forth on previous alternatives formulated by social and farmers' organizations. See: TNI (2013) Trade: time for a new vision - The Alternative Trade Mandate <https://www.tni.org/en/briefing/trade-time-new-vision>; SOMO (2014) Alternative Trade Mandate: een nieuwe koers voor het EU handels- en investeringsbeleid. ('A new course for EU trade and investment policy') <https://www.somo.nl/nl/alternative-trade-mandate-een-nieuwe-koers-voor-het-eu-handels-en-investeringsbeleid/>; Friends of the Earth Europe (2018) Setting Course for Sustainable Trade: a new trade agenda that serves people and the environment. <https://www.foeeurope.org/new-trade-agenda>; Milieudefensie (2017) Handelsagenda voor een eerlijke en duurzame economie. ('Trade agenda for a fair and sustainable economy') <https://milieudefensie.nl/actueel/handelsagenda-voor-duurzame-en-eerlijke-economie.pdf>; Geurts, Guus et al. (2008) Regionalisering als alternatief voor neoliberale globalisering. ('Regionalization as an alternative to neoliberal globalization') <https://www.vredesmuseum.nl/download/regionalisering.pdf>

Principles for a future trade policy

In this chapter, the Trade Differently coalition presents four principles that underlie a future worldwide trading system.



Principle 1

DEMOCRACY AND TRANSPARENCY

Participation of social organizations



Trade and investment agreements should come about democratically. In future trade policy, negotiators will share as much information as possible on the negotiations¹. It is also important that the public and social organizations be given the space to voice their views on trade policy. It must be possible to participate and exercise influence in a solicited or unsolicited manner before, during and after negotiations. At present, trade agreements are mostly concluded at European Union level. The European Commission, the unelected body that negotiates such agreements, is heavily influenced by multinational companies. By contrast, citizens, social organizations, trade unions,

farmers' organizations, small and medium-sized enterprises (SME) and parliaments only have limited influence on agreements. The European Parliament can only approve or reject trade agreements, after the close of negotiations. National parliaments are largely side-lined. This is peculiar, considering the danger to democracy posed by investment agreements in particular, for instance through the controversial investor-state dispute settlement claims (ISDS) which they enable (see box 3, ISDS and other forms of arbitration, on p. 47).

Parliaments should be granted a greater say in negotiations on trade agreements, as should civil society. This will make it possible to heavily weigh not only economic interests but also the public interest and environmental aspects in decision-making relating to trade. Furthermore, there will be more transparency on the way in which trade policy is developed. To this end, the names of lobbyists who have access to the negotiators of trade agreements will be made publicly available. Such access shall be shared equally among all interested parties, including trade unions and environmental organizations.

Principle 2

UNIVERSAL HUMAN RIGHTS

Future trade policy will centre on the protection and promotion of human rights. Human rights should take precedence over economic interests, even when they are at odds with the private rights of investors. Human rights are universal and independent of nationality, gender, national or ethnic origin, race, religion or language. Women's rights, indigenous rights and labour rights are part of recognized human rights conventions. Meeting basic needs such as food, water, socio-economic security, housing, education and healthcare is also part of the human rights a government must guarantee. Human rights shall be part and parcel of trade policy. They must be applied in a binding manner on the whole of trade agreements, rather than on parts of them, as often happens now.

European Union member states have the duty to respect and protect human rights, both within and outside of the EU. Signatories of trade agreements are all obligated to prevent negative impacts on such rights. And after an agreement has entered into force, signatories shall carry on monitoring its effects on human rights.

In addition, future trade policy stimulates a system of intellectual property rights (IPR) that is at the service of human rights. The

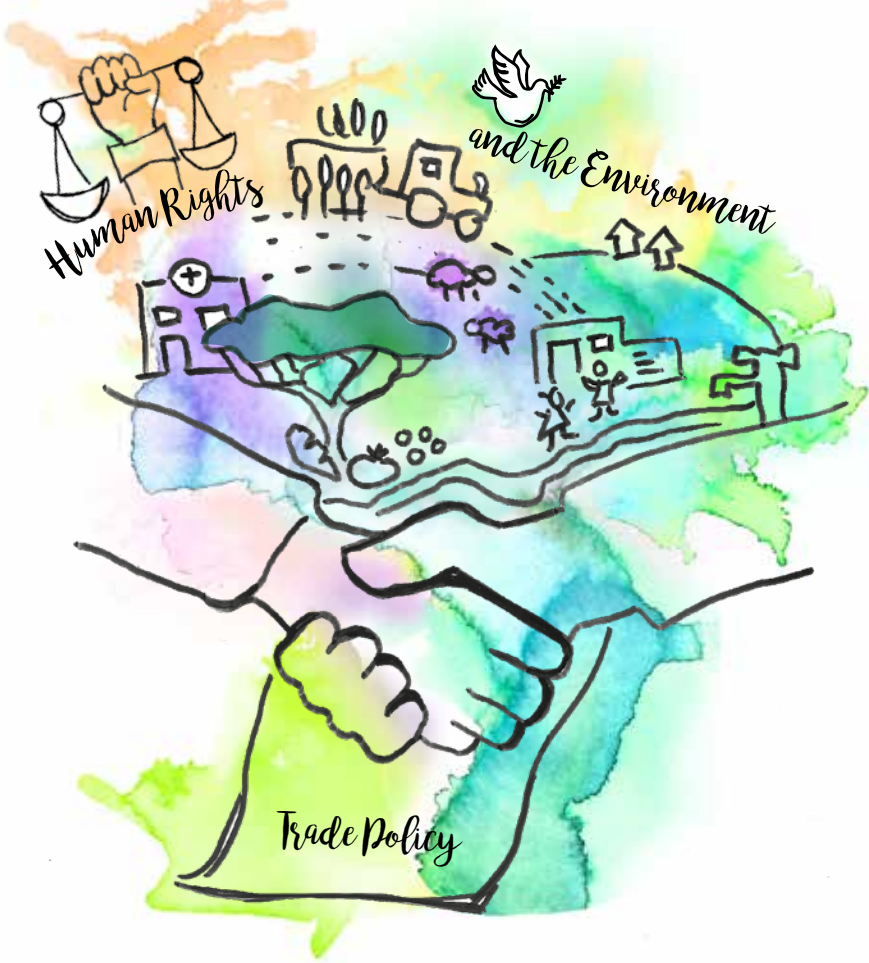
current IPR system, with extensive patents in the hands of multinationals, is contrary to the right to health and to the right of farmers and peasants to select, breed, multiply, save, sell and exchange their seeds. The patents hamper open access to cheap medicines and prevent small-scale farmers from providing for themselves.²

Box 1

GENDER EQUALITY AND WOMEN'S RIGHTS

Non-profit organization GRAIN, Uganda:

"The work of women in Africa is seldom considered in national, regional and global processes involving trade. This is because these processes only relate to large companies, while most African women work in the informal sector, which is by far the most important sector for African economies. The huge contribution of women toward the upkeep of their family and community is never taken into account. Any trade policy that does not prioritize the informal sector and women should be rejected."



Women's rights are human rights. It is important to pay particular attention to gender equality and women's rights. Women are treated unequally when compared with men. They are less represented at leadership level in politics, communities and companies, and are paid less than men for the same work, to mention just a couple of examples.

healthcare sector and the water supply make it more difficult to access these basic needs, it is often women who must solve the issues for the family. In addition, local producers and informal sellers, often women, may be undercut by the liberalization of the agricultural sector and the opening up of the services sector to international companies.

Trade is not gender neutral. Measures can have a different effect on women than on men. When the liberalization of food markets, the



Sustainable Economy

Local Self-Sufficient markets

Principle 3

FUTURE PROOF

As we only have one planet, development should always be sustainable. Sustainable trade and investment policies increase regional self-sufficiency, stimulate the trade in fair products and services, and enable the transition to a fossil-free economy. Governments should play an important role here. They can support local and sustainable economies and promote recycled products to decrease dependence on export and import flows. The end objective is to create local, national and regional (for instance, at European Union level) self-sufficient markets that guarantee the right to food while respecting the limits of our planet.

Trade and investment policy can open the way for sustainable agricultural practices, such as agroecology.³ This ecological agricultural method protects biodiversity, contributes to soil improvement and counteracts climate change. A future-proof trade policy should also target the reform of today's industrial production. Here, a guiding

principle is the equitable and sustainable use of resources, through maximum reuse and the creation of employment within local and national businesses.

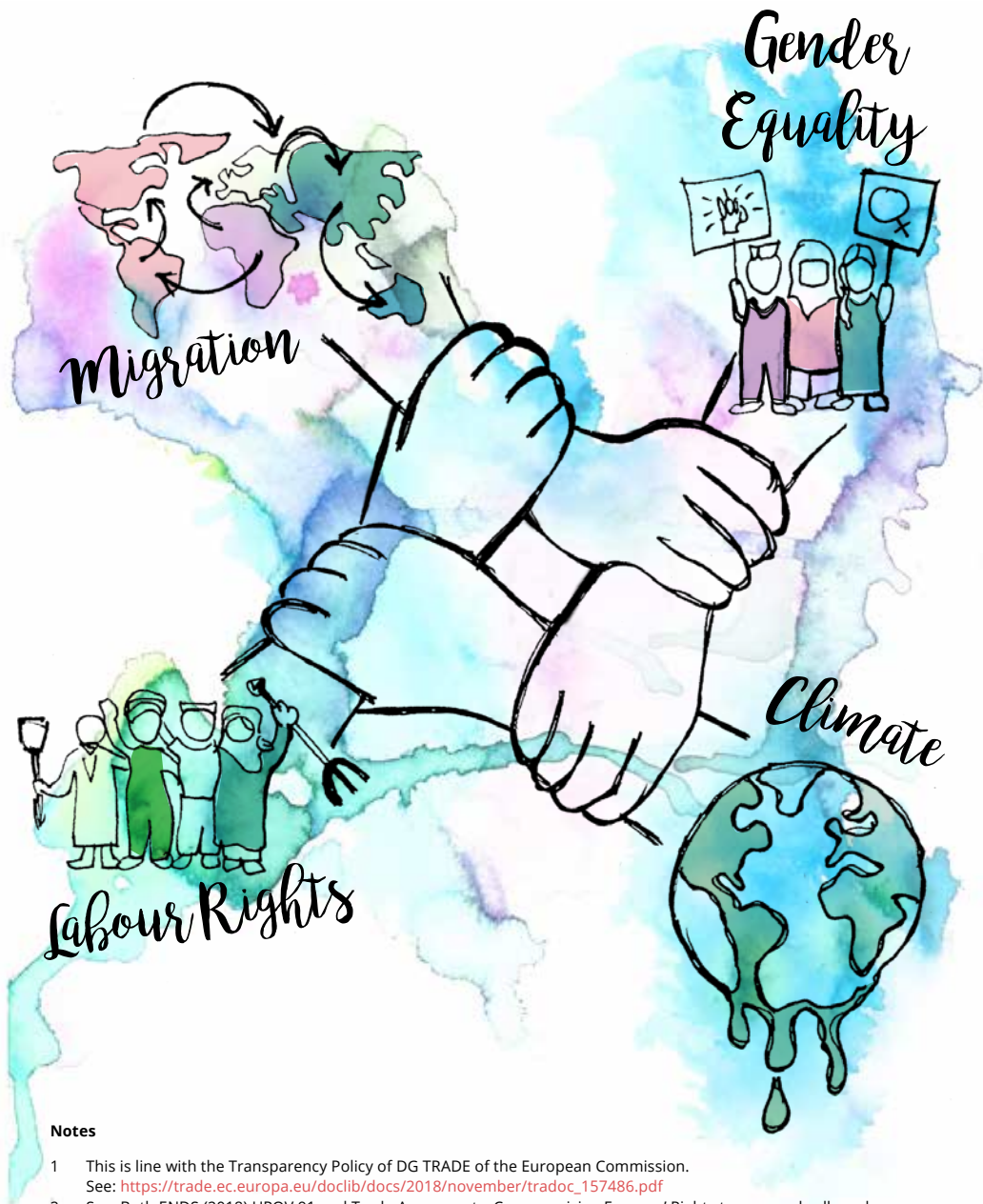
Uncontrolled market forces and the protection of foreign investors that dominate current trade and investment policy must be brought to a stop. Nowadays, the European Union outsources to the Global South a large part of its industrial production and large-scale agriculture. This often leads to increased CO₂ emissions and contributes to the further depletion of fossil resources. The deplorable result is well known: loss of biodiversity, the demise of climate-regulating forests, and the warming and acidification of the seas.⁴ The EU's hunger for raw materials and its need for fertile agricultural land also lead to land grabbing and malnutrition at local level. This primarily affects small-scale farmers and peasants and local (indigenous) communities in the Global South who are worst hit by global inequalities and climate change.

Principle 4

COHERENCE BETWEEN POLICY AREAS

Future trade policy should relate not only to trade, but also to the cohesion between trade policy and other policies. Policy coherence signifies that certain policies may have positive side effects on other areas or countries, and that negative effects are prevented. Good intentions in the field of international collaboration cannot be undermined by unfair agricultural, fiscal or trade policies. For instance, stimulating small and medium-sized enterprises (SMEs) in the Global South cannot have a sustainable effect if the Netherlands also encourages, through trade agreements, foreign investments that undercut the local economy. This is why development cooperation must always be aligned with other policy areas related to foreign policy, both at national and European Union levels.

Courage and leadership are required to reform trade policy in such a manner that trade and trade agreements do not reflect self-interest alone, but also and especially the interests of the Global South and of a sustainable planet. The consequences for gender equality, labour rights and migration also require full attention, to avoid a situation in which one hand gives and the other takes away.



Notes

- 1 This is line with the Transparency Policy of DG TRADE of the European Commission.
See: https://trade.ec.europa.eu/doclib/docs/2018/november/tradoc_157486.pdf
- 2 See: Both ENDS (2018) UPOV 91 and Trade Agreements: Compromising Farmers' Rights to save and sell seeds
https://www.bothends.org/uploaded_files/document/LR_UPOV91_brochure_A4.pdf
- 3 For more information on agroecology, see: <https://www.boerengroep.nl/themas/agroecologie/>
- 4 For more information on the impact of climate change on the oceans,
see: <https://www.seafirst.org/themas/co2-oceanen/>

Objectives: Trade in the service of people and the environment

The current motto of international trade policy is 'the more trade, the better'. However, for the Trade Differently coalition, trade is not an objective, but a means, a way to contribute to the realization of many different objectives, such as the protection of the environment, or the advancement of human rights. Trade can present opportunities to stimulate sustainable economic development, as long as it is properly designed, and the proceeds are shared equitably. International agreements relating to people, animals, the environment and the climate must be given priority over trade agreements.

Since the European Union Treaty of Lisbon, signed in 2007, competition on the global marketplace has been declared sacrosanct. The consequence is that fundamentally incorrect decisions are being taken on EU policy. For instance, effective environmental and agricultural policy is not being developed, as this would negatively impact competitiveness on the world market.

Governments must regain the leeway to develop policies in which the well-being of the population is the key priority and in which sustainability or job security weigh more than the profit maximization of multinational companies. Then governments can preserve vital processes and essential professions, and policymakers can provide support with targeted investments and environmentally friendly agricultural and industrial policies.

This chapter elaborates on the objectives of a trade policy based on the principles of democracy and transparency, universal human rights, future viability, and coherence between different policy areas.

High, binding and enforceable standards in the fields of the environment, labour, public health, food security and animal well-being

Agreements concluded within the International Labour Organization (ILO), such as the right to form a trade union, the right to collective bargaining, and the ban on child labour, forced labour and discrimination, shall take on a leading role in the development of trade policy. Firm commitments on this and other levels, such as human rights and the protection of an independent rule of law, ensure that trade treaties do not erode these rights. In addition, ongoing work on higher standards is required within the United Nations to facilitate the Sustainable Development Goals.¹

Democratic control of trade policy and transparency

National parliaments, social organizations, trade unions, farmers' organizations and small and medium-sized enterprises (SMEs) shall in future have far greater access to the whole decision-making process surrounding trade agreements. Governments ensure that powerful actors, such as transnational companies, do not have more input than other interested parties.

The basic needs of all the world's inhabitants are met

Trade policy shall guarantee that natural resources are in first place mobilized to meet local, national and regional needs. These include basic needs such as food, water, clean air, healthcare, education, housing, energy, sustenance, a liveable wage and social facilities. Satisfying these needs corresponds in large part with the observation of human rights.

On the current global marketplace, fertile soil is used for crops and products in great demand, such as cattle feed and biofuels. Thus, meat eaters and car drivers from the Global North take precedence over family farmers, peasants and indigenous communities, when it comes to the right to food, sustenance and land. In parallel with this, small-scale farmers the world over suffer from unfair competition on their markets, due to dumped products, or products that do not meet their standards.

Fair prices and wages

Producers shall receive a fair price for products that are as environmentally friendly, animal friendly, and socially just as possible. A living wage for workers and workers' rights, as well as the environment and animal welfare, are specifically included in the product price. If this leads to higher consumer prices, additional social policy ensures that everyone's basic needs continue to be met.

Improved access to seeds and medicines

Intellectual property rights (IPR) shall no longer be included in trade agreements, unless drastically reformed. In the supply of seeds for agriculture, the right of small-scale farmers and peasants to select, breed, multiply, save, sell and exchange their own seeds takes once again precedence over the patents of multinationals. Patents in the pharmaceutical industry shall not undermine the right to healthcare.

Autonomy of the Global South

Future trade policy shall contribute to the decrease of global inequalities in the economic and social fields. Rich countries no longer determine the development course of the Global South and of emerging economies. Those countries are able shape their own agricultural and industrial policies, to create as much economic value and employment as

possible. Countries of the Global South can also impose an export tax and import tariffs on specific products.

Gender equality for women the world over

Gender shall receive a permanent place in trade policy. The consequences of trade agreements on the position of women is studied. In cases where these might be negative, the directives of the Organisation for Economic Co-operation and Development (OECD) are applied preventively. In addition, measures are taken to ensure that trade contributes to "gender equality and the empowerment of women and girls worldwide," the fifth Sustainable Development Goal of the United Nations.

Sustainable and regional self-sufficiency

Priority shall be given to small-scale farmers and small and medium-sized enterprises (SMEs) who produce for local, national and regional markets – such as the European Union, Latin America's Mercosur, and the African Continental Free Trade Area (AfCFTA) – rather than to international business. Agricultural and industrial loops are closed to prevent the depletion of raw materials and the pollution of the soil, water and air.

Trade policy and international climate agreements

It is wrong that trade policy plays no role in the shaping and implementing of climate policy, such as the climate agreement of the Netherlands, or the European Green Deal. Future trade policy shall make it possible to set environmental requirements for import products. The recent European Commission proposal for import tariffs on products with high CO2 emissions is a step in the right direction.

Climate agreements shall rely on different calculations of the CO2 emissions of countries. At present, CO2 emissions relating to production are only counted in the production country, and not in the country to which the product is exported. Yet other countries produce a large part of the European Union consumption, like soja and palm oil, for instance. This means that exporting countries such as China, Brazil and Indonesia are held more responsible for climate change than justified.

Effective climate policy and a sustainable energy transition

Effective climate policy shall no longer be hindered by investors who threaten to file claims for damages, such as large energy companies currently do when governments want to close coal-fired power plants. The production of goods shall also be situated as close as possible to the place where the goods are consumed, to minimize transport. The destruction

of nature for export crops, livestock breeding, mining and fossil fuel extraction is brought to a speedy halt.

Freedom of policy for governments

The trade agreements of the future shall no longer undermine the capacity of governments to protect people, animals and the environment. Countries can enforce their desired level of protection through legislation and regulations and increase this when needed. This also spells the end of the undemocratic arbitration system, which lets foreign investors sue countries when they develop social and environmental policies that may put profits under pressure (see Box 3: ISDS and other forms of arbitration, p. 46). Then countries can protect people and the environment without fear of expensive legal proceedings. In addition, governments can give priority to local and national companies over foreign companies and investors, for instance in procurement policy.

Protection of domestic markets

The protection of domestic markets is required for the protection of employment opportunities, small-scale farmers, nature, the environment, labour standards, animal welfare and cultural diversity. As long as rules of the World Trade Organization (WTO) prevent countries from applying similar criteria to import products, countries will be able to protect abovementioned interests with import duties. Countries have the policy freedom to determine the time at which they lift their import duties, in part or in full.

Countries that are not yet self-sufficient have the right to regularly review whether they want to lower or increase imports through Tariff Rate Quotas (TRQs).

Protection of public services

Access to services that are vital to society, such as education, energy, water supply, housing and healthcare, shall not be thwarted by trade agreements. In trade agreements of the future, it is citizens who maintain control over such services. Services that have been (sometimes partially) privatized in previous years can be declared as being in the public interest, and as such kept out of trade agreements. Governments no longer leave essential services to the market and may put privatized services back into public hands.

Limitations on capital flows

The worldwide movement of persons, products and capital, and its regulation, shall occur in the service of people, society and the environment. All levels of government retain the full right to regulate capital flows and to make targeted public investments. They have the freedom to introduce capital controls and taxes to restrain global financial markets, when needed.

Note

- 1 The Sustainable Development Goals (SDGs) are development objectives for people and the planet drawn up by the United Nations. Although there is widespread consensus on SDG principles, the practice is more intractable. For instance, SDGs may be misused by business as a marketing tool. Therefore, it is important not to assess companies based on their support or promotion of a single development goal, but rather to consider their whole approach. A company cannot present itself as a champion of gender rights, while also being involved in the eviction of peasants and family farmers from their land. Human rights cannot serve as a marketing tool that allows companies to project an idealized image. Unilever is one example of a multinational company that supports SDGs mainly with hollow rhetoric. See: <https://www.unilever.com/sustainable-living/our-strategy/un-sustainable-development-goals/>

Box 2

THE CORONA CRISIS AND THE GLOBAL SOUTH

The most vulnerable people in society are always worst hit during a crisis and the corona crisis is no exception to this. The people in question mostly live in the Global South and work in the informal economy. Women are overrepresented in the informal sector and are particularly hard hit. In addition, healthcare systems in these countries are less developed than in the Global North. Economies have come to a standstill due to an absence of infrastructure, in particular digital. Many governments also lack the means to prop up society with enormous assistance packages, as happened in the Netherlands. Reserves to cushion the impact of economic blows were already scarce in these countries and now a hunger epidemic is imminent. The United Nations expects the number of people suffering from acute starvation to have doubled from 135 to 260 million by the end of the year.¹

The opposite is also true. Countries like Senegal and Cuba are proving decisive and resilient. They both intervened rapid-

ly and adequately when the corona crisis struck. In January 2020, Cuba launched a 'prevention and control plan' and the public healthcare sector was brought into a state of preparedness to deal with the outbreak. Senegal was also quick to respond with adequate testing, hospital admissions, and quarantine policy.

These are just a couple of examples, but they show that it is time for the Global North to redefine its relationship with the Global South, this time on a basis of equality and with the aim of getting to know one another, instead of dictating how things should be done.

Cancelling debt

Before the corona crisis, the mountain of debt of the Global South was already unprecedentedly large. In 2020, the 132 poorest countries had to repay around three thousand billion dollars in debt.² Furthermore, far more money flows from the Global South to the Global North than the other way around. Aside from interest payments on debt, this involves, for instance, profits that are realized in the Global South before being channelled to tax havens like the Netherlands. The freedom of capital to flow into countries has seldom resulted in the promised domestic growth, but now that this flow is gushing in the opposite direction, many countries find themselves high and dry. The challenges for the coming period are huge.

It is vital that affected countries in the Global South do not sink deeper into debt to cushion the impact of the corona crisis. Existing debt should be cancelled on a massive scale and debt payments should be postponed as much as possible. This also reduces the need for these countries to export natural resources and agricultural products. These can then be used to meet basic needs at home. Countries should also receive additional support from international donors. The International Monetary Fund (IMF), which can in fact print money through the Special Drawing Rights (SDRs), should be called in for countries in need.

Restrict capital flows

Much more is indeed in the long term. The post-corona world requires a different international trade system that prioritizes the fulfilment of the basic needs of the population, and is based on local, national and regional resources within a diverse economy. Countries of the Global South must be able to develop more well-being, prosperity and resilience. In this regard, it is also important to end the unrestricted capital flows that circle the world in search of the highest return. More possibilities must be created for introducing capital controls and capital taxes and for restricting global

financial markets. Countries should also be less dependent on private capital flows, and more capable of harnessing public capital. Targeted public investments pay for themselves and additional tax measures raise more money for the public treasury. In addition, the state ownership of companies in the Global South can bring more tax revenue and economic stability. This also means that local development banks and central banks have an important role to play.

Global Green Deal

Finally, the measures taken in the context of the corona crisis must be in harmony with a Global Green Deal. A future worldwide agreement focuses on the following themes: the struggle against climate change, strengthening the public sector, as much food self-reliance as possible, the creation of green and fair industrial policy and the protection of human rights and labour rights.

Notes

- 1 <https://insight.wfp.org/wfp-chief-warns-of-hunger-pandemic-as-global-food-crises-report-launched-3ee3edb38e47>
- 2 5 redenen voor een wereldwijde schuldenschoonmaak ('5 reasons for a worldwide debt clean-up'). Tegenlicht (4 September 2020) <https://www.vpro.nl/programmas/tegenlicht/lees/artikelen/2020/5-redenen-schulden-ontwikkelingslanden.html>

Chapter 3

A new world trade organization

In this chapter Trade Differently elaborates on the creation and flaws of the current world trade policy. We also present a proposal for a drastically reformed trade system.



The emergence of an international trading system

The origin of world trade as we know it lies in the famous Bretton Woods Conference of 1944. The agreement that resulted from it stimulated international trade in a world that had been hard hit by World War II. At the same time, international capital movements were strongly regulated – among others by new and still to be set up multilateral institutions such as the World Bank and the International Monetary Fund (IMF) – so that democratic nation-states could pursue sovereign economic policy.

A few years later, 23 countries signed the General Agreement on Tariffs and Trade (GATT). The figure had increased to 123 by 1994. This agreement included arrangements on lowering and simplifying customs duties, in particular on industrial products. Countries could continue to protect and stimulate (through subsidies) their agricultural sector, as long as any surpluses resulting from this were not dumped on the world market.

In subsequent years, the international trade system was constantly enlarged. In 1995, the World Trade Organization (WTO) was set up, as successor of the GATT. Nearly all countries are now members of this organization that is regarded as the premier forum for international arrangements on trade. Several agreements have been concluded since the WTO's creation, including the General Agreement on Trade in Services (GATS), the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), and the Agreement on Agriculture (AoA). In spite of

the WTO's broad agenda, the organization only focuses on trade, rather than on development in the broader sense, or the wellbeing of people, animals and the planet.

Towards a neoliberal trade policy

The broadening of the international trade agenda followed a worldwide wave of liberalizations and privatizations, from the 1980s onward. Government policy changed drastically under the influence of neoliberalism, including at international level. Public services, such as transport, energy provision and healthcare, were privatized. The trade in goods was liberalized. Restrictions on capital flows were largely lifted. Companies were given tax reductions and government expenditure was cut.

In parallel with this, compliance with rules on the environment, labour standards and animal welfare increasingly relied on voluntary agreements with the business sector. International treaties on the environment and human rights have indeed been entered into since the 1980s, but contrary to WTO agreements, they are not enforceable with sanctions. In addition, the WTO has a legal mechanism that allows countries to file claims against one another if they do not respect trade agreements. Environmental and human rights agreements lack such a mechanism.

The new agreements entered into by national governments at the WTO have entrenched international neoliberalism. It is a misconception to think of neoliberalism as an opposition between the market, or business sector, and the state. Neoliberalism



has never endeavoured to exclude the state but has on the contrary used the state to cast in stone the protection of property rights and the free movement of goods. This is an attempt to prevent democracy from ever again disturbing the international trade order. Current free trade agreements principally reflect the interests of multinational companies enshrined in binding rules, such as the right to enter markets through forced liberalization.

Unequal trade

Although countries have an equal voice within the World Trade Organization (WTO) and decisions are based on consensus, practice shows that power relations are in fact unequal. Current agreements have in large part been drawn up by countries of the Global North and principally serve the interest of companies operating transnationally. A telling example of this unequal distribution of power are the general tariff reductions on agricultural imports included in the WTO

Agreement on Agriculture (AoA). These reductions are especially favourable to multinational agribusiness from the Global North who were able to export to formerly closed markets. They were the ones who really profited from the agricultural subsidies to farmers in the EU and US. Those farmers were partly compensated for lower prices through subsidies. However, countries in the Global South do not have the financial means to subsidize their family farmers and peasants. They can only protect them through import tariffs.

In addition, the AoA includes agreements on tariff-free import quotas (TRQs) for agricultural products. This is to the advantage of companies operating internationally and contributes to unnecessary competition and environmental damage. TRQs for meat threaten to be further expanded as a result of the CETA agreement between the European Union (EU) and Canada, and the EU-Mercosur agreement, for instance. It is

disturbing that countries from the Global South would have gone along with such measures. Indeed, rich western countries used a form of blackmail to stifle opposition. For instance, threats were made during WTO negotiations to cut development aid, or reduce import quotas on tropical products, such as bananas or cane sugar. These threats are effective because the economies of many countries in the Global South are strongly dependent on only a handful of export products.

Furthermore, the Global South is very affected by the neoliberal Structural Adjustment Programs (SAPs) of the World Bank and the IMF, two institutions that are also dominated by the Global North. SAPs are imposed when a country faces a debt crisis. Said country must carry out a thorough reform of its economy in exchange for a loan. A recurring demand is the compulsory opening-up of agricultural markets through the lowering of import tariffs. This has had far-reaching consequences. The African continent, for instance, went from being a net food exporter to a net food importer, when faced with the competition from the heavily subsidized agriculture of the European Union and the United States.¹ This proved disastrous for the position of local small-scale farmers and the food security of the population.²

These many trade rules make it difficult and sometimes impossible for emerging economies to protect their internal markets against (cheaper) products or services from foreign companies. Nearly all countries of

the Global South have been confronted with this, with the exception of China, which first developed autonomously behind its own borders and only joined the WTO in 2004.

In 2001, these countries agreed to renegotiate WTO rules so the interests of the Global South would be better represented within the international organization. However, these negotiations, called the Doha Development Round, did not produce the expected results. Some countries, such as the United States, also indicated they no longer wanted to negotiate within this development round.

The European Union opted to partly organize its trading interests outside of the WTO, in regional trade agreements like the one with Mercosur countries and the Economic Partnership Agreements (EPAs) with former colonies in Africa, the Caribbean and the Pacific (called 'ACP countries'). The EU also increasingly negotiates bilateral free trade agreements, for instance with Canada (CETA), South Korea and Indonesia. However, countries of the Global South have an even weaker position in such negotiations and agreements than within the WTO. In addition, small-scale farmers, workers and small and medium-sized enterprises (SMEs) within the EU are adversely affected by these bilateral free trade agreements which they oppose.³

A new international organization for fair trade

The interests of the Global North and international business are so strongly anchored within the WTO that it is difficult to imagine the organization changing in the short term, from the inside, in favour of the Global South, small and medium-sized enterprises (SMEs), family farmers and peasants, workers and the planet. Therefore, we propose that agreements and organizations of the United Nations take the lead for a fundamental reform of the WTO into a multilateral organization for fair trade.⁴ When agreements are made on trade, UN human rights treaties and treaties on the protection of

nature and the environment, shall in future be binding. Thus, collaboration in the field of trade can go hand in hand with worldwide economic development, social improvement, the full provision of basic needs and future viability. Agreements written in transparent language and applicable around the world will be made within this new multilateral organization. The WTO principle of enforceable rules with the threat of sanctions will remain in place. And the UN Binding Treaty on Business and Human Rights will receive an important place within the organization.⁵

This drastically reformed trade system shall give a prominent role to the United Nations



Conference on Trade and Development (UNCTAD). Since its foundation, this UN organization strives to help the Global South reach inclusive and sustainable development through the use of trade, investment, capital and technology. UNCTAD and other organizations such as the UN Environment Programme (UNEP) and the UN Development Programme (UNDP) could lead the reform of the WTO. The process will grant an important role to the special UN rapporteurs on the right to food, health and housing. The UN-associated International Labour Organization (ILO) will have greater powers regarding decisions on world trading rules. The ILO, which includes for instance the voice of the international trade union movement, sets international labour standards and guarantees that trade contributes to decent local employment opportunities. It ensures that trade agreements go hand in hand with the respect of universal human rights, and that these are enhanced rather than undermined.

After the reforms have been carried out, trade rules will be measured against the climate yardstick. Here too, the rules are drafted in such a manner as to reinforce, rather than undermine, global climate goals. The international climate organization, the UN Framework Convention on Climate Change (UNFCCC), will study current imbalances in climate policy more closely. Indeed, the Global North now exports a large part of its pollution to the Global South, as producing and exporting countries are made responsible for greenhouse gases, instead of importing and consuming countries.

Our proposals to hand over the reins of trade to organizations striving for a fair economy, humans rights and the climate, will make it possible for us to move towards an international trade system that works for everyone.

Notes

- 1 See: FAO (2011) Why has Africa become a net food importer? Explaining Africa agricultural and food trade deficits. <http://www.fao.org/3/a-i2497e.pdf>
- 2 See: Madeley, John. Trade liberalisation and food security: recent evidence. <https://www.odi.org/sites/odi.org/files/odi-assets/events-documents/4102.pdf>
- 3 See: Handel Anders! (2019) Boeren uiten zorgen over handelsverdragen bij de Tweede Kamer. ('Farmers express concerns about trade agreements in the Lower House of the Netherlands') <https://handelanders.nl/boeren-uiten-zorgen-over-handelsverdragen-bij-de-tweede-kamer/>; Handel Anders! (2018) TTIP 2.0 onderhandelingen en visie op landbouw. ('TTIP 2.0 negotiations and vision on agriculture') <https://handelanders.nl/ttip-2-0-onderhandelingen-en-visie-op-landbouw/>
- 4 A similar proposal is being made by lecturer Jan Orbie of Ghent University. See: Orbie, Jan (2020) Freed from trade? Towards a fairer EU Trade Agenda. <https://www.weltoehnehunger.org/full-article/EU-tradeAgenda.html>
- 5 For more information on the United Nations Binding Treaty on Business and Human Rights, see: <https://www.tni.org/en/publication/8-proposals-for-the-binding-treaty-on-transnational-corporations-and-human-rights>



Measures for a different trade policy

It is high time for new international and European Union trade agreements. In this chapter, the Trade Differently coalition proposes several measures to make trade fairer and more sustainable. Adopting these proposals will ensure: the respect of human rights, the protection of the climate and nature, fair prices for farmers and small and medium-sized enterprises (SMEs), living wages and decent working conditions for workers, financial stability, and international collaboration based on far more than the profit motive alone.

The first part of the chapter focuses on measures relating to trade agreements as a whole, and the second, on measures relating to specific topics such as sustainability, food provision, and financial and public services. We will also touch on a few measures that go beyond trade policy as such, as the organization of international trade is interwoven with a number of other fields which must also be included if one is to provide a coherent alternative.



4.1 New ground rules for trade

Current trade agreements make it easier and cheaper to sell products and services.

Limitations or barriers to free trade have largely disappeared from the scene. For instance, no requirements relating to the environment, working conditions or animal welfare can be formulated for imported products. This makes it possible for multinational companies to rapidly move their production from one country to the other, in search of the most favourable conditions. The result is that today's trade and investment agreements have workers compete against one another. Governments are forced to participate in a race to the bottom in the fields of labour rights and fiscal policy. This also hampers the development of stricter, and sorely needed, environmental measures.

Governments which try to protect labour standards risk mass dismissals by relocating multinationals. In countries with weak standards, workers subsidize the production of cheap goods through their low labour protection and wages. The only winners are multinationals which can sell increasingly cheap products to consumers. Trade liberalization also exposes small and medium-sized enterprises (SMEs) to international competition. This can lead to a loss of market share, substantial employment decline and generally unfair trade practices, especially in trade between unequally developed countries.

To turn this around, the Trade Differently coalition proposes the following measures:

1. A new world trade organization

A new international organization for fair, sustainable and democratic trade shall be set up, as described in Chapter 3.

the Organisation for Economic Co-operation and Development (OECD), and the United Nations Guiding Principles on Business and Human Rights.¹

2. Labour rights

At international level, firm commitments shall be made on labour rights to prevent a worldwide race to the bottom. These commitments will be based on the labour standards and guidelines of the International Labour Organization (ILO), the guidelines of

A complaints mechanism will be introduced, with the authority to impose sanctions. Effective monitoring of the implementation of agreements will be carried out in cooperation with the ILO. The rights of workers in the informal sector will also be guaranteed in these agreements.

3. Higher standards

Social, safety and environmental standards shall be improved. Countries can uphold and enhance their standards in the interest of society. This is urgently needed considering, for instance, that the provisions on sustainability in current trade agreements are not binding.

4. Democratic control

Lobbyists shall be subject to stricter guidelines, with an emphasis on balanced influence and transparency. There is a guarantee that the demands of citizens are heard and that the public interest takes priority. Every law or rule, from proposal to approval, will henceforth be accompanied by a lobbying paragraph, which will clearly indicate the lobbyists who were spoken to during the development of the law or regulation.

5. The end of preferential treatment for foreign investors

Foreign investors shall no longer receive preferential treatment compared with the national and local business sectors. Trade and investment agreements that protect the rights of foreign investors at the expense of public interest (ISDS, ICS, Energy Charter Treaty and IBO) are a thing of the past. Foreign investors who feel unfairly treated can – like other parties – turn to national courts, or else take out a risk insurance. Thus, it will no longer be possible for foreign investors to file, by way of investment agreements, claims against government policy that serves the public interest. Currently multinationals can sue countries that want to implement a national ban on the use of coal, for instance,

or take necessary measures in response to the corona crisis.

6. Public tenders

Public tenders will be an important instrument for governments to shape industrial and other economic policy. Countries can once again prioritize the domestic business sector over multinational companies. Jobs can be created locally, and collective bargaining agreements will be respected.

In addition, local government can set social and environmental criteria as requirements for public tenders, to guarantee that public funds are spent on sustainable economic development in the region.

7. Compensation for vulnerable sectors

In future, trade and investment agreements shall always be accompanied by social measures aimed at those who would otherwise experience negative consequences because of them. Additional policy will cushion changes on the labour market, with training for people who need reskilling, for instance. Trade agreements will also include transitional periods for implementation and other measures aiming to protect vulnerable sectors. A social dialogue between the government and workers' and employers' organizations is crucial in this framework.

8. Fair trade practices

In future, workers shall no longer be victims of unfair trade practices, such as social dumping. This involves companies moving their production to countries with lower wages, or else taking on low-wage labour migrants to drive up profits. Protection instruments, such as the imposition of trade



restrictions, prevent this type of practice. Trade agreements will support the industrial and economic development of countries in the Global South and no longer hinder their autonomy to develop their own trade policy. Trade agreements will also encourage the formalization of labour relations so workers can exercise their rights.

9. Human rights

International trade policy shall be brought into line with domestic and extraterritorial human rights obligations. Companies, and

their subsidiaries, bear responsibility for potential human rights violations over their entire production chain, from raw material extraction to sale, at home and abroad. The Netherlands and the European Union also cooperate as soon as possible on the realization of the United Nation's Binding Treaty on Business and Human Rights. When this treaty has been concluded, businesses and investors involved in raw material extraction, export agriculture and other economic activities can be held legally responsible for their actions at home and in host countries.

10. Women's rights

Women's rights organizations will have a legitimate seat at the table during negotiations on trade agreements. Gender impact assessments (such as the Poverty and Social Impact Analysis and the Gender-Trade Impact Assessment) play an important role during the negotiation and monitoring of trade agreements. The United Nations Conference on Trade and Development (UNCTAD) has also developed a Gender & Trade Toolbox to map the effects of proposed trade policy on women. Additionally, it is essential that the ILO Violence and Harassment Convention (Nr. 190) always be fully respected in production chains.

11. Intellectual property rights

In future, Intellectual Property Rights (IPR) shall be set up, interpreted and enforced within the framework of the Universal Declaration of Human Rights (UDHR). This guarantees access to medication, but also consumer protection, competition, privacy legislation and the fulfilment of development goals. This can occur through the application of the International Covenant on Economic, Social and Cultural Rights; the International Covenant on Civil and Political Rights; the Convention on the Rights of the Child; and the Convention on the Rights of Persons with Disabilities. There will also be an alternative framework to foster the intellectual property of local and green technologies. This stimulates the transfer of CO₂-poor technologies to the Global South and supports the development of climate friendly crops by small-scale farmers and peasants.

Note

- 1 See: https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf



4.2 The environment, the climate and the sustainable use of raw materials

The European Union is nominally striving for a circular economy. In practice it is moving in a different direction. Indeed, the EU hunger for raw materials translates into an aggressive policy strategy and trade that is as little regulated as possible. For instance, the EU is working towards a ban on export taxes to force countries to stop limiting their export of raw materials. This deprives these countries of an important revenue source.

The European Union is strongly dependent on the import of raw materials for its industry. No less than one third of raw materials for EU carmakers, the chemical industry and the construction sector is imported – considerably more than for other regions of the world. This dependence on imports has further increased these past years through the stimulation of biomass fuels.

The large-scale import of biomass and other raw materials has led to the forced displacement of millions of people in the Global South. Also, the population of the countries where these raw materials are produced seldom benefits from the revenue.

For the transition to a fair raw material policy and a circular economy, the Trade Differently coalition proposes the following measures:

1. Climate agreements

The European Union shall pursue an effective climate policy to satisfy the agreements of the Paris climate conference in 2015. In Paris, countries agreed that the increase in temperature should be limited to 1.5 degrees when compared with 1990. The Trade Differently coalition welcomes the EU move to further increase its targeted 40% reduction in CO₂ emissions by 2030 to at least 55%. In addition, the EU will

fulfil its climate agreements within its own borders, instead of compensating for its CO₂ emissions elsewhere in the world. To this end it introduces higher CO₂ taxes. These are accompanied by increased import tariffs to prevent unfair competition to the EU business sector. This allows the EU industry and agriculture to be far more self-sufficient. In this way so called carbon leakage – outsourcing of production to countries where environmental regulations are less strict – is

also prevented. Member states also draw up binding and stricter energy savings targets.

2. Restrict biomass

European Union member states shall wind down the import of biomass and biofuels as quickly as possible. The European Biofuels Directive is revised to drastically reduce the trade in imported biofuels.

3. Fossil fuels

The European Union shall limit the use of fossil fuels with a package of measures. Important among these are the repeal of subsidies for fossil fuels and the stimulation of public transport. The EU will also cease to invest public funds in the construction of new motorways, airports and harbours. Further measures relate to EU CO2 taxes. These policy measures are much more effective in reducing greenhouse gases than the current EU Emissions Trading Scheme (ETS). To prevent business from lobbying against this, the EU market should be protected against unfair competition from import products that do not meet the same requirements.¹ This can be realized with increased import tariffs like the carbon border tax.

4. Raw materials

To bring about a fair and sustainable raw material policy, the European Union shall set clear objectives for its member states. The goal is to reduce the use of natural resources and become more self-sufficient, especially with regard to water, land, energy sources, biomass and minerals. European Union fiscal incentives like ecotaxes are deployed to this end.

5. Recycling and reuse

The European Union shall curb the import and use of both raw materials and processed products, especially those that are not produced under fair and sustainable conditions. The introduction of higher import tariffs makes the recycling and reuse of products financially more attractive. Reducing total consumption and harnessing reused raw materials are both prioritized.

6. Human rights violations

The European Union shall ensure that the import of raw materials does not contribute to human rights violations or conflict in the countries of origin. Victims of human rights violations caused by the trading activities of EU governments or companies will in future have access to a European judge. They are also entitled to reparations.

7. Regulating export

Countries in the Global South shall retain the right to regulate their export, for instance by raising import and export taxes, and by amending public procurement policy. The European Union respects the decisions of Global South governments when they want to use their natural resources for their own needs.

8. Halting tariff escalation

The European Union tariff escalation on processed products shall come to an end. Processed tropical products will no longer be subject to higher tariffs than tropical raw materials such as coffee. Then the processing and manufacturing will occur in the countries of origin, creating local employment and added economic value.

9. Ban on cartel activities

Antitrust laws shall be introduced at national and European Union level to curb the power of multinationals dominating the energy, agricultural and mineral sectors.

10. Fiscal stimulation of the sustainable transition

Work shall become more affordable through a lowering of employers' labour costs. This is done in line with a liveable income for working persons. In addition, the circular economy is fostered through the repeal of sales tax on the repair of devices. And considerable European Union ecotaxes are raised on fossil fuels, fossil fertilizer and harmful pesticides, provided the market is protected. These various measures shift the tax from labour over to environmental pollution, keeping tax revenue steady.

11. Green jobs

Different measures are required to ensure the transition to sustainable energy in the Netherlands. People at risk of losing their jobs in fossil-oriented sectors such as coal-fired power stations, shall be helped to find other employment. Organizations involved in the Energy Agreement support suitable education and work-to-work schemes. Reskilling and upskilling prepare jobseekers for new jobs in green growth sectors. Social consequences are adequately offset in the unfortunate event this fails. Additionally, attractive studies are made available for young people, leading to green jobs. The social partners ensure that this work is of high quality. This includes good employment and working conditions, which is to say a 'sustainable sector' on the social level too.



Note

- 1 See: Bouman, Mathijs (2020) Pijnlijk voor liberale economisten: voor een effectief klimaatbeleid zijn misschien flinke importheffingen nodig. ('Painful for liberal economists: substantial import tariffs may be needed for an effective climate policy') <http://mathijsbouman.nl/pijnlijk-voor-liberale-economen-voor-een-effectief-klimaatbeleid-zijn-misschien-flinke-importheffingen-nodig/>



4.3 Fair agriculture and food production

Today's European Common Agricultural Policy (CAP) results from agreements made in the framework of the creation of the World Trade Organization (WTO) in 1995. The European Union abandoned stable, remunerative prices for agrarian products in CAP reforms carried out since 1992 (in preparation for the WTO). European farmers increasingly compete on the international market. Prices in arable farming and soil-based livestock farming were lowered, partly compensated by income subsidies. These later became generic per-hectare premiums. This reform occurred in 1992 for cereals and beef, in 2003 for milk, and in 2004 for sugar. Supply management was also abandoned for milk in 2015 and sugar in 2017.

This policy has led to overproduction and volatile prices for European farmers. The solution devised for these EU surpluses is to ship them to the Global South, where they are dumped below cost on the market. This causes local farmers to be driven from the market.¹ Therefore small-scale farmers both within and beyond the EU suffer, while multinational agribusiness profits from these low agricultural prices.

In addition, the EU uses millions of hectares of land in the Global South to produce luxury products such as biofuels, beef and cattle feed. Nature is destroyed in the process and indigenous groups and small-scale farmers and peasants lose their land. Planned trade agreements with Latin America's Mercosur customs union and Indonesia will increase even further the production and export of these agricultural products.

The planned reform of the CAP after 2021 presents the ideal opportunity to break with the neoliberal aberrations of the past 25 years. Food sovereignty should become the norm for the trade in agricultural products. Then every region (including the European Union) will be able to produce food as sustainably as possible, through its own farmers and for its own population.

An alternative trade and agricultural policy could consist of the following measures: ²

1. European supply management

Quotas shall be set for the European Union's production of stackable, non-perishable arable products (cereals, sugar, potato starch and vegetable protein), and its entire livestock sector (milk, meat and eggs). Production quotas are adjusted to demand on a yearly basis, as it used to be with the former milk and sugar quotas. If needed, the EU determines additional minimum prices for these products.³ The lowest possible level of safety stocks must be maintained to respond to unexpectedly small or large productions and harvests. As a result, European farmers once again enjoy stable prices that cover all the costs. The dumping of surpluses on the Global South is also avoided.

2. European Union import tariffs on food

Import tariffs on food and cattle feed shall be increased to make the European Union as self-sufficient as possible, especially with regard products for which alternatives can be produced in the EU. Introducing import tariffs on soya and palm oil, for instance, will finally present European plant protein crops and oilseed crops with a serious opportunity. In addition, this prevents the undermining of EU product standards through the import of food produced under lower environmental, animal welfare, labour and food safety standards.

3. High standards of animal welfare and environmental and ecotaxes

Said market protection shall make it possible to increase the environmental and animal

welfare requirements imposed on farmers. European Union ecotaxes can also be introduced on fossil fuels (CO2 tax), fossil fertilizer (chemical fertilizer based on fossil fuels) and harmful pesticides, to limit the use of such products. This contributes maximally to local food production, energy savings and a viable environment.

4. Commodity agreements

Countries and regions shall conclude international agreements for tropical products such as coffee and cocoa to ensure stable prices for producers and consumers.⁴

5. Tariff-free import quotas

Countries and regions that are not yet self-sufficient in agricultural products conclude agreements on import quotas. These will be gradually reduced on the road to maximum self-sufficiency. For instance, the European Union will slowly scale back its import quotas for soya and palm oil, and African countries will, if required, reduce their import quotas for EU agricultural products.

6. Competition policy reform

A reform of the competition policy of the European Union and the Netherlands is required to limit the power of purchasing organizations and multinationals in the retail sector and the processing industry. Producers of perishable plant crops and fishers may unite in producer organizations – in which they can make agreements on the offer – on condition monopolies are prevented. This reform shrinks the difference between the price paid by consumers and the price farmers receive for their products. Minimum

prices will apply for supermarket products and 'lowest price guarantees' will be banned.

7. Reform of the European Union agricultural budget (CAP)

The introduction of the aforementioned measures shall ensure that European farmers are once again paid prices that cover all their costs. This makes it possible to discontinue the current general EU subsidy per hectare. However, farmers who deliver services in line with climate, biodiversity, landscape and nature objectives are indeed paid cost-covering fees for these. Such services may include agroecology, food forests, and increasing organic material in the soil to store greenhouse gases. There will be product subsidies for the cultivation of crops with lower selling prices than cereals – such as peas, beans, lupins, flax and hemp. The EU Common Agricultural Policy (CAP) budget of 59 billion euro per year (2019) will therefore be deployed much more effectively and in line with the Farm to Fork strategy.

8. Financial incentives for healthier food

For the benefit of the environment and public health, financial incentives are used to curb the consumption of meat and sugar.

This is best achieved with a national tax on meat and sugar. The VAT tariff on healthy products such as vegetable and fruit will also be brought back to 0%. This supports with maximum efficiency the consumer's choice for healthy and environmentally friendly products.

9. Compensation for lower incomes

Food in the shops shall be healthier and more environmentally and animal friendly as a result of these measures. Should this lead to excessive food prices for the poorest, in spite of the proposed approach to the power of the industry and supermarkets, then the government will increase social benefits and minimal wages.

Notes

- 1 See: Gilles, Arne (2019) Wat hebben melk en de vluchtelingenstroom met elkaar te maken? ('What do milk and refugee flows have in common?') <https://www.mo.be/reportage/europese-en-afrikaanse-boeren-voeren-gezamenlijk-actie-te-gen-europees-landbouwbeleid>
- 2 See also: Voedsel Anders (2019) Zonder hervorming EU landbouw- en handelsbeleid geen milieuvriendelijk en rechtvaardig voedselsysteem. ('No environmentally friendly and just food system without reform of the EU agriculture and trade policy') <https://www.voedselanders.nl/zonder-hervorming-eu-landbouw-en-handelsbeleid-geen-milieu-vriendelijk-en-rechtvaardig-voedselsysteem/>
- 3 For a comparable proposal, see: Boersma, Hidde and Joris Lohman (2020) <https://www.volkskrant.nl/columns-opinie/lever-boeren-niet-langer-uit-aan-de-lage-prijzen-op-de-wereldmarkt-b9bf0707/>
- 4 This proposal enjoys broad support, including for instance by lecturer Jan Orbie of Ghent University. See: Orbie, Jan (2020) Freed from trade? Towards a fairer EU Trade Agenda. <https://www.weltoehunger.org/full-article/EU-tradeAgenda.html>



4.4 Reining in the financial sector

The financial services sector is playing an increasingly important role in international trade, the business sector and society at large. The financial services of banks and insurers facilitate cash flows for international trade and foreign investments. The conclusion of the General Agreement on Trade in Services (GATS) in 1995 signalled the increasing liberalization of the financial sector. This worldwide sector became unrestrained and speculative as financial services were subject to an ever-decreasing number of rules and limitations. Toxic financial products, volatile capital flows, and debt travel the world over. Banks and other financial institutions take big risks to beat competitors. They can afford to do this because governments will rescue them with tax money if need be. Trade and investment agreements barely take into account whether the public interest is served by this, or whether there are sufficient regulations and oversight.

The interdependence of financial markets makes countries increasingly vulnerable to international developments. Meanwhile, the worldwide lobby of financial service providers is stronger than ever, and its members find their way deep into the chambers of policy and negotiations.

Financial services should serve people in the real economy, rather than the opposite. Therefore, the financial sector must be transformed into a strictly regulated and service-minded sector that provides basic financial services for everyone and contributes to the development of a fair and sustainable society. Trade and investment agreements relating to financial services should support these objectives. International collaboration can force the establishment of measures for the cross-border activities of financial services providers.

The Trade Differently coalition proposes the following measures at the national, European Union, and international level:

1. The end of liberalization

Trade and investment agreements shall be terminated if they lead to the further liberalization of financial services and capital movements at the expense of the space needed by public institutions to set and enforce rules.

2. The struggle against money laundering

Trade agreements shall include ambitious language on the struggle against corruption and money laundering. Investors who pay bribes to secure contracts lose their rights and are excluded from the protection granted in trade agreements.

3. Public institutions at the helm

Strengthening (international) financial regulations is a task for parliaments, international institutions and watchdogs. The so-called harmonization of financial regulations in trade and investment agreements is undesirable if it is not at the service of the public interest. Therefore, financial products shall always be tested to determine whether they contribute to a better society, the economy and the environment. Labelling will indicate the measure of this contribution.

4. Space to regulate

In the interest of their economic and social stability, countries shall be able to institute capital controls without fear of repercussions (such as arbitration). These controls may include limitations or requirements imposed on foreign investments, the stabilization of the exchange rate, or a tax on financial transactions.

5. No sweeteners for foreign investors

Trade and investment agreements shall become instruments for working together on problems such as tax evasion and tax avoidance. Agreements can be made on minimum rates and on obliging companies to report publicly on their profits and tax payments per country. It can also be established that countries may not lure foreign investors by offering tax exemptions or the attenuation of social and environmental legislation.

6. The struggle against tax avoidance

An end shall be put to tax havens and the tax avoidance of multinationals. If necessary, sanctions will be imposed on multinationals,

and the action plan against tax evasion of the Organisation for Economic Co-operation and Development (OECD) will be implemented. The action plan Base Erosion and Profit Shifting (BEPS) will prevent multinationals from paying as little tax as possible through the use of internal accounting methods, such as transfer pricing.

7. Sustainable financial services

New quality European Union rules for sustainable finance will receive priority over the rules in trade and investment agreements. At the moment imposing the obligation to invest sustainably might run counter to arrangements in trade agreements. In addition, the adoption of rules for sustainable finance is currently undermined by the fear that the EU financial sector would become less competitive than foreign institutions that do not have to respect such rules. By introducing the abovementioned measure, countries can force banks, and their private and other financial investors to take responsibility.



4.5 The protection of public services

Public services, such as healthcare, housing, education and energy supply, are essential for a dignified existence. Many of these public services have passed into private hands during the past decades. This results from an economic policy of the Netherlands and the European Union that targets the implementation of market forces.

When service providing organizations must compete with one another, the focus is usually on the lowest price. This is especially advantageous for large private service providers. In practice, citizens, workers and governments end up bearing the cost of the 'lowest price' time and again. People who cannot pay the bill are cut off from the service in question. In the public sector, market forces are also often associated with redundancies, and governments are regularly forced to step in when private providers fail.

Resistance against the dismantling of public services is growing. A number of academic institutions and reports¹ are critical of the privatization drift of the past decades. This has yet to lead to the desired result, among others because the EU has painted itself into a corner. The so-called ratchet and standstill clauses in trade agreements even determine that there is no way back once a public service has been left to the market.

Recent agreements, such as the EU-Canada CETA trade agreement, assume that services will be automatically liberalized, unless they appear on an exceptions list. In addition, countries may be confronted with enormous damage claims if they choose to take public services back into their own hands. For instance, a foreign investor in Chile recently threatened to file an ISDS claim against the Chilean government, following a citizens' referendum. The referendum revealed that ninety percent of Chileans wanted to undo the privatization of their drinking water supply.

A strong public services sector plays a crucial role in stimulating economic development, especially during crises. The worldwide Covid-19 pandemic has once again highlighted the importance of public services. The policy space enjoyed by governments to steer the provision of essential services must therefore be expanded, rather than shrunk. Here we associate ourselves with an encouraging trend – an increasing number of local initiatives to reorganize services in a public manner – called remunicipalization or deprivatization.

The Trade Differently coalition proposes the following measures to protect public services:

1. Protect public services against market forces

Public services shall be excluded from trade and investment agreements. The protection of public services against undesirable market forces becomes the norm. Furthermore, it will always be possible, at local, regional and national level, to undo liberalizations and privatizations. Clauses that prevent this will be removed from existing trade and investment agreements.

2. Freedom of policy for governments

Trading partners of the European Union shall be treated as equals. They retain the space required to introduce policies protecting local public services against undesirable trade and investments from without.



3. Collaboration between public organizations

Providers of public services shall be supported to undertake cooperation with other (international) public parties. For instance, public water companies can support one another by exchanging knowledge on how to combat drought and on the effective use of water worldwide. International not-for-profit collaboration can be combined with the joint purchase of software, for instance, or a joint investment in international concessions.

4. Better working conditions

The workers of public services shall count as essential workers. Therefore, these services will not be cut. Instead, investments will ensure better employment conditions. The government is the most important employer in many sectors and has the duty to guarantee the quality of work. Work is carried out by citizens and the quality of work bears a direct relation with the quality of the public service.

5. Use positive lists

At present, public services that are not explicitly mentioned during negotiations on trade agreements are automatically eligible for liberalization. If a country wants to protect its water sector, for instance, it must actively indicate this. Otherwise, the sector is automatically part of the agreement. In future, this process will be turned around. Only the public services that countries explicitly include on a 'positive list' can become part of an agreement. Therefore, governments shall retain the right to observe human rights associated with these services. In addition, privatizations can be undone, if necessary.

Note

- 1 See for instance the report 'Verbinding verbroken?' ('Disconnect?') of the Parliamentary Inquiry Committee on the Privatization / Corporatization of Government Services (POC) (2012). https://www.eerstekamer.nl/kamerstukdossier/verbinding_verbroken_onderzoek; the book 'Er zijn nog 17 miljoen wachtenden voor u' ('There are still 17 million people waiting in front of you') by investigative journalist Sander Heijne (2016). <https://decorrespondent.nl/17miljoen>; and the publication 'The future is public' by TNI (2020). <https://www.tni.org/en/futureispublic>

Box 3

ISDS AND OTHER FORMS OF ARBITRATION

Arbitration is one of the most controversial aspects of trade and investment agreements. It is a means for conflict resolution whereby a binding decision on a conflict is taken not by a national judge, but by one or several arbitrators. The vast majority of trade agreements have a chapter on arbitration. The best-known form of arbitration is the Investor-State Dispute Settlement (ISDS). At present, more than one thousand arbitration cases have been identified worldwide, in which an investor has filed a case against a government. It is feared that this number will increase due to Covid-19 measures and the need to rapidly introduce effective climate policy.

Arbitration works as follows: When an investor believes that a government is taking a policy measure that infringes their rights, they can go to the arbitration court. Then the investor describes the government measure as a threat to their profits, and even future profits. The cases can relate to just about anything: measures to discourage smoking, the decision not to open a mine for environmental

reasons, or the closing of coal-fired plants to combat climate change.

Millions or even billions may be involved in such cases, so the mere threat of a claim is sometimes enough to prompt a government to settle. If a government thinks it cannot win a case, it may also choose to water down a proposed policy measure or drop it altogether. Nearly one quarter of known cases end up in a settlement. If a claim is indeed pursued, the investor wins in 27 per cent of cases, versus 37 per cent of cases for the government.

VIP rights for investors

ISDS does not come close to the standards applicable to usual court proceedings. There is no possibility of appeal and cases are heard behind closed doors. The amount of most settlements is never known. In addition, ISDS is a one-way street. Investors alone can file a case. The opposite is not possible. Countries, but also human rights defenders, trade union leaders and environmental activists cannot turn to such a court. Therefore, ISDS grants de facto VIP rights to investors. As only investors can file claims, arbitrators are inclined to decide in their favour. The more cases there are, the more arbitrators earn. In addition, these jurists are specialized in investor rights which they tend to interpret generously and to the advantage of their most important clients.

Netherlands claim paradise

The Netherlands is an international claim champion. It is one of the countries from where the largest number of arbitration claims are filed. This is due to the broad definitions of 'investor' and 'investment' used in the Netherlands, and the ease with which a claim can be filed from the country. For instance, it is possible to file a claim by way of a letter-box company. Also, nearly every country can be sued from the Netherlands polder, due to the many investment agreements concluded there. In the past fifty years, approximately one hundred billion euros in claims have been filed against countries worldwide from the Netherlands. Many cases relate to countries in the Global South or emerging economies.

The Netherlands itself has never been sued, but this may change soon. The German energy company Uniper is fighting a decision by the Netherlands to stop generating energy from coal as of 2030. From then on, Uniper must use sustainable sources. Therefore, it considers the 'Coal Law' a type of expropriation. If Uniper pursues the claim, it will demand nearly one billion in compensation from the Netherlands.

Reversing roles

Social opposition to ISDS has grown rapidly in the past years. Meanwhile, a few reforms have been implemented, for instance in the investment agreement between the European Union and Canada (CETA). In CETA, arbitration occurs through an Investment Court System (ICS), which allows for appeals. However, the reforms do not go nearly far enough and do not address the basic problems. The best alternative for arbitration is, in short, no arbitration. Investors already have a way to cover themselves against entrepreneurial risk, for instance by taking out an insurance in their country of origin, or through an international institution such as the World Bank. These alternatives are fairer than shifting entrepreneurial risks over to taxpayers. The roles must be reversed, to put a stop to the power of investors. The system that protects investors should be replaced by a mechanism that protects human rights, the environment and the climate. It must be possible to hold companies to account when they commit abuses.



Epilogue

"We cannot solve our problems with the same thinking we used when we created them." –
Albert Einstein

At the time of writing, the blows of the corona crisis continue to shake the world. The pandemic has not only led to a health-care crisis but has also unerringly exposed the flaws of our international trading system. From day one, the corona crisis showed just how dependent countries have become on the import of essential goods produced all over the world. It became painfully clear that countries with weak welfare states and small safety nets, as well as countries in which the market had the freest play, were least capable of providing citizens with what they needed. Therefore, it is not surprising that some countries reacted strongly. They closed borders and banned the export of certain products, from facemasks to rice.

However, there was also strong solidarity on the world scene. Countries with surpluses donated medical relief goods, and doctors flew the world over to help in hospitals. Encouraged by the many calls of international organizations, funds were rapidly made available to prop up the economies of the

worst hit countries. Crises fan our fears but also bring out the best in us.

The corona crisis presents the opportunity to really do things differently. The solution cannot and may not be a return to business as usual. Even without pandemics, our world is regularly hit by the crises of capitalism.

This publication, *Trade Differently: A call for fair and sustainable trade*, wants to contribute to this change by putting a series of principles, objectives and measures on the table. We have drawn the contours of a globalization with different trade rules. A fair, environmentally friendly globalization that prioritizes the production of small and medium-sized enterprises (SMEs) and circular farmers for the local, national or regional markets. A globalization in which the rights of people and workers always weigh more than the interests of multinational companies, and in which countries from the Global South have the space to develop their economies as they see fit. In short, a globalization that is no longer at the expense of people, animals and the environment, but at their service.

We want to present an alternative to those who cynically claim that today's trade agreements are the only way to achieve international collaboration. Indeed, these agreements do not bring about the desired high social and environmental standards, but a race to the bottom. Meanwhile, a large part of the losers of neoliberal globalization feel drawn to the simplistic us-versus-them message of nationalists and populists.

However, the opposition between increasing free trade and nationalistic protectionism is false. The Trade Differently coalition calls for international collaboration through trade agreements in which the interests of people and the environment of both the Global South and Global North come first, rather than the interests of multinationals.

The Netherlands, an open economy by the sea, has a long history as a profit-driven trading nation and colonizer. Nowadays, the country is also known as a tax haven and claim paradise, where life is good for multinational companies. These same companies also receive substantial (export) advantages, while not always taking very seriously human and labour rights, or the protection of the environment and climate elsewhere in the world. Meanwhile, we have seen years of deep cuts in development cooperation, a budget that is increasingly deployed to support companies from the Netherlands abroad, instead of helping foreign local economies move forward.

In short, we have to change course now. For decades, tradespeople have pointed towards ever further liberalization and deregulation, but a new kind of storyteller should now take over at the helm. The Global North has the duty to settle its historical debt and replace neoliberal dogmas of free trade – most of which have long been scrapped by research – with principles that promote fair and sustainable trade.

This will not happen overnight. Pressure is needed to put our vision and proposed measures into practice. Great pressure, from the bottom up. People must assert themselves in the public debate on trade, a debate which now principally occurs behind closed doors and in policy chambers. The disclosure of malpractices in sweatshops prompted consumers to make their voices heard and to take action, for instance by boycotting certain brands and shops. There is a long way to go, but the first step has been taken. Now is the time to press ahead and work out new arrangements for all the types of trade that countries conduct with one another: a new trading system that benefits everyone.

Your help is sorely needed in this. As an association of trade unions, food producers, entrepreneurs, environmental and development groups, knowledge and consumer organizations, and involved citizens, the Trade Differently coalition represents a broad palette of people at the centre of the fair globalization movement. Trade Differently fights shoulder-to-shoulder with other movements and action groups for a just world, in which people enjoy the opportunities they are entitled to, regardless of their origin, and companies contribute to the public interest and the real economy. Together with many others, we also apply ourselves to a planet we can pass on to our children and grandchildren. These movements can change the world, if we invest in them enough.

Support our work, follow our workshops, read our publications, and take part in our actions urging the government and other decision-makers to trade differently.

Glossary

Antitrust laws: Legislation aimed at preventing monopolies or overly powerful market actors in a specific sector.

Base Erosion and Profit Shifting (BEPS): Corporate tax strategies used by multinationals to shift profits to lower-tax jurisdictions. Loopholes in international tax rules are used to evade tax or reduce the tax pressure in the home country.

Biofuels Directive: The European Union directive aiming at 10% fuel consumption from biological sources, such as palm oil, by 2020.

Carbon border tax: An import tax on products from countries **with less stringent climate policy**.

Ecotax / CO2 tariff: A tax a country can introduce on pollutants. This financial incentive encourages the business sector to emit fewer polluting substances. The price increase steers consumers towards less polluting products.

Energy Charter Treaty: This agreement protects investments in the energy sector. It has been signed by more than fifty countries worldwide.

EU Emissions Trading Scheme (EU ETS): The European Union CO2 market. About half of the EU's carbon emissions are covered by this scheme which specifies that companies must have one allowance per emitted ton

of CO2. These allowances can be bought and sold on carbon markets. However, a significant part of these allowances is allocated for free, leading to prices that are structurally (too) low.

General Agreement on Tariffs and Trade (GATT): These “reciprocal and mutually advantageous agreements” between 23 countries were concluded in 1947 and were directed “to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international commerce.” In 1995, the GATT was succeeded by the World Trade Organization (WTO).

General Agreement on Trade in Services (GATS): Agreements within the World Trade Organization (WTO) on the liberalization of services.

The European Common Agricultural Policy (CAP): The CAP came into force in 1957 during the creation of the European Economic Community (EEC), the precursor of the European Union. The original objectives included: securing food production, a reasonable income for farmers, stabilizing markets, and a reasonable price for consumers. On the road to the establishment of the WTO in 1995, there was a shift from guaranteed prices for livestock farmers and arable farmers to low prices compensated by income subsidies. These are currently general decoupled per-hectare premiums. Milk and sugar quotas were also discontinued in 2015 and 2017, respectively. The policy now rests on two pillars: market regulation and

rural development. About 40% of the EU budget goes towards the CAP (€ 59 billion in 2019).

Import tariffs: A tax on imported products that countries or trading blocs, such as the European Union, raise at their border. The tax is often used to protect certain sectors against (unfair) competition from the international market. This makes it possible to maintain and develop essential sectors.

Intellectual Property Rights (IPR): The regime that confers rights on the developer / owner of a product, for instance by means of patents and trademarks. IPRs are widely used for seeds and medicines.

Bilateral Investment Treaty (BIT): Bilateral treaties between two countries, in which agreements are concluded on the legal protection of investors.

Investment Court System (ICS): A slightly reformed variant of the ISDS arbitration system, set up after the ISDS sparked a storm of criticism.

Investor-State Dispute Settlement (ISDS): A form of arbitration in which an investor can sue for a policy measure before a special tribunal outside of national courts. See Box 3: ISDS and other forms of arbitration.

Agreement on Agriculture (AoA): WTO agreements for agriculture that went into force in 1995. These arrangements related to increasing market access to countries, for instance by reducing import tariffs, introduc-

ing tariff-free import quotas, reducing export subsidies and (requirements for awarding) income support.

Global North, Global South: The terms do not necessarily refer to a geographic area, but to the historical, political and socio-economic division of power relations at world level. The Global South involves places, countries and population groups that are negatively influenced by the current globalization. The terms were introduced as more neutral variants of 'Third World', 'development countries', or 'the West'.

Supply management: Adjusting the offer to the demand, as a government measure to achieve stable prices and limit surpluses. One example are the milk quotas that were in place in the European Union between 1984 and 2015.

The ratchet clause and the standstill clause: A standstill clause involves recording the degree of liberalization of a sector or market. After a trade agreement has been concluded, an agreement partner cannot undo the existing liberalization. A ratchet clause goes further, establishing that a country that unilaterally decides to further liberalize its market will see this liberalization recorded and will not be able to undo it without violating the agreement.

Remunicipalization and deprivatization: Cities and municipalities that undo the privatization of public services and companies. The local level of government takes these sectors back into public hands.

Social dumping: The export of products made without respect to the labour rights of the International Labour Organization (ILO).

Tariff escalation: Assigning a higher import tariff to processed products than non-processed products.

Tariff-free import and export quotas

(TRQs): Import quotas determine how much of a said product receives better than usual market access to a country during a specific period of time. It can involve a lower rate for import tariffs, or a shipment of products imported without import tariff. Export quotas work in the same manner, but with the aim of regulating the export of products. These quotas are especially used by countries that are not entirely self-sufficient in their agricultural production (or cannot be so due to WTO arrangements) but that do want to protect certain sectors.

Transfer pricing: Using internal pricing between different holdings of a single company, with the aim of avoiding taxes.

Special drawing rights: Securities issued by the International Monetary Fund (IMF) that can be exchanged into a currency, such as dollars.

Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS):

The 1994 WTO agreement regulating intellectual property rights.

United Nations Conference on Trade and Development (UNCTAD):

The United Nations organization involved with trade, investments and economic development.

World Trade Organization (WTO):

This organization was set up in 1995 as the successor of the GATT. Meanwhile, 164 countries have joined, including the European Union. See also Chapter 3.



TRADE DIFFERENTLY coalition, also on behalf of Both ENDS, FNV, Foodwatch, Milieudéfensie, Dutch Arable Farming Union (input on agriculture and food), Platform Aarde Boer Consument, SOMO and TNI.

TRADE DIFFERENTLY FOR SUSTAINABLE AND FAIR TRADE

An association of trade unions, food producers, entrepreneurs, environmental and development organizations, knowledge and consumer organizations, and involved citizens, who work together for sustainable and fair trade. We call on the Netherlands political sector and government to TRADE DIFFERENTLY

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