

-----Original Message-----

From: Tim [SMTP:timand@ozemail.com.au]
Sent: Friday, August 25, 2000 10:31 AM
To: jsct@aph.gov.au
Subject: WTO inquiry

The Secretary
Joint Standing Committee on Treaties
Parliament House
Canberra, ACT 2600
Tel: 02-6277-4002
Fax: 02-6277-4827
email: jsct@aph.gov.au
www.aph.gov.au/house/committee/jsct

24 August 2000

Dear Secretary

Australia's Relationship with the World Trade Organisation

Congratulations on the decision to hold an inquiry into Australia's relationship with the World Trade Organisation. This is timely and appropriate. Following is my contribution to your inquiry.

While seeking to expand trade opportunities for Australian producers and companies through multilateral trade negotiations, it is critical to incorporate safeguards which ensure the protection of Australian citizenship and democracy. This is particularly the case in an age when the expansion of global investment and trade leaves virtually no area of social life or social policy untouched.

For this reason I suggest the Parliament seeks to ensure that the Australian Government incorporates the following principles into its dealings and relationship with the World Trade Organisation.

1. Argue for transparency and accountability at the WTO
WTO agreements now impact on a very wide range of domestic social, human rights and environmental issues, as well as trade issues. Therefore all Government actions concerning the WTO must be accompanied by processes of information dissemination and community consultation -- not just corporate consultation. As the principal body accountable to the Australian people, the Federal Parliament should ensure that the Federal Government complies

with this fundamental democratic principle.

2. Maintain the integrity of Australia's other international agreements
WTO rules and dispute processes have the potential to adversely influence our commitment to other important international commitments, such as human rights, labour rights and environmental protection. The Parliament and Government should therefore ensure, preferably by stated reservations at the WTO, that no trade agreement will compromise its ability to respect and enforce its obligations under Australia's other international agreements, including and especially our human rights, labour rights and environmental protection treaties.

3. Pursue effective mechanisms to ensure WTO agreements are consistent with
international human rights, labour rights and environmental agreements
The Parliament and the Government should pursue the development of effective mechanisms, at international and domestic levels, which enhance our capacity to respect and enforce obligations under human rights, labour rights and environmental protection treaties.

4. Ban the patenting of life forms, and urge such a ban at the WTO
The exceptions to the general prohibition on the patenting of life forms allowed under the present TRIPS regime, has opened a Pandora's box of inappropriate and unethical practices. These include the development of corporate monopolies over essential food stocks and the unchecked and potentially dangerous commercialisation of genetically modified organisms (GMOs). The final round of GATT recognised this problem in the general, but allowed what it called a "limited exception" to the ban, for micro-organisms and some plant varieties. Since the application of this exception (Article 27.3b) the threats to food security and to the genetic integrity of ecosystems and other species have become more apparent. Yet some commercial interests wish to extend this exception. In my view Australia should oppose any extension of the exception to the ban on the patenting of life forms, and should also seek to have the exception in Article 27.3b wound back, to remove the monopoly threat to food security and the threat to the integrity of ecosystems and other species.

5. Ensure public control of the production and delivery of essential goods and services, and the development of a "global commons"
The push to support private investment and profitability must not be allowed to compromise essential goods and services, such as water supplies and essential health services. These things must be recognised as our common property, and not commodities to be privatised and traded as if they were discretionary items. The Parliament and Government should also seek to develop and promote a "global commons", whereby essential resources, such as fresh water supplies, are identified and added to a "not for profit"

international list. In the development of global democracy, there must be limits to development based on private profit.

6. Support international measures aimed at food security, not export subsidies
The Parliament and Government should support measures for food security, whereby countries can protect the development of essential foodstocks, so as not to become vulnerable to the import of a substantial quantity of essential foods. At the same time, the Parliament and Government should pursue the banning of subsidies on food production aimed at export markets. The former measures are critical to global and regional security, while the latter only encourage the overproduction and dumping of agricultural surplus.

7. Support affirmative action measures for developing countries
Australia should seek to ensure that a system of "special and differential treatment" for developing countries is not crushed in the push for trade advantage. Tariff liberalisation and the attacks on non tariff barriers and industry-protective TRIMS must not be allowed to compromise the development of higher value added forms of production in developing countries. In all multilateral agreements, affirmative action measures should be set in place to ensure this.

8. Reject special privileges for investors in WTO rules
The failure of the Multilateral Agreement on Investment (MAI) at the Uruguay Round of GATT and at the OECD demonstrated the multiple problems in attempting to incorporate special privileges for already powerful corporations into a more 'open' trading regime. The TRIMS measures already go too far. Extension of the rights of giant corporations is simply not compatible with the claimed benefits of equal opportunity through a more open trading system. The Parliament and Government should reject proposals for special privileges for investors in WTO rules.

Please contact me if you would like me to speak to any or all of these matters.

Yours sincerely

Dr Tim Anderson
Political Economy
University of Sydney
Tel: 02-9660-4580

Email: timand@ozemail.com.au