

Bringing Down the Walls--A Partial Victory in Cancun

By Laura Carlsen | September 2003

As the crowd approached the police barricade, a line of women filed to the front of the march. At a signal, they pulled out wire-clippers and began to cut apart the cyclone fence. When they had finished, the Korean farmers stepped up and with farriers' tools and blowtorches, cut the thick chains that joined the metallic panels and wrapped heavy ropes around the frames. On the count of a ritual drumbeat, the crowd pulled, and one by one the fences came down.

Face to face with riot-gear police, the Koreans sat down, and in a wave, thousands of demonstrators sat down too. Instead of the confrontation and chaos that many had predicted and some had sought, the march became a brief rite. A memorial for Lee Kyung Hae, the Korean farmer who took his life at the spot three days earlier, and a death knell for the World Trade Organization.

Meanwhile, inside the massive concrete building where the official negotiations were being held, walls were also coming down. That same day, (Sept. 13) Mexican Sec. of Foreign Relations and Chairman of the meeting, Luis Derbez, released a draft declaration after three days of contentious discussion. The draft, practically a wish list of the developed countries, incensed developing countries. They formed an unprecedented block to resist imposition of the draft terms.

Led by India and Brazil, the "Group of 21-plus," along with the African-Caribbean-Pacific block and the Least Developed Countries, began to formulate a solid "NO." In a letter to the Chairman, the Indian delegation angrily denounced the draft, saying it "discards all pretence of development dimensions of the Doha Agenda... (and) does not lend itself to any meaningful dialogue."

Fueled by nongovernmental and social organizations that staged protests, conferred with official delegations, and transferred information through the corridors, poor countries stood unexpectedly firm as they received personal phone calls from President Bush and pressures from both the U.S. and the

European Union. Even African nations--dependent for over half their budgets on foreign aid--and countries like Colombia--a major recipient of U.S. support--did not budge. For once, divide-and-conquer tactics failed before a newly established commonality of interests among developing countries.

Although talks finally broke down in the discussion of "new issues"--the addition of trade facilitation, competition, transparency in government procurement, and investment to the WTO--the real parting of ways happened over agriculture. Many developing countries entered the meeting under the banner of cutting agricultural subsidies in the U.S. and the EU. They maintained that the subsidies were unfair, and enabled wealthy countries to take over their domestic markets. Even dyed-in-the-wool free-traders, like host government Mexico, demanded major concessions on agricultural subsidies.

What they got instead were vague and insignificant promises on subsidy reduction, accompanied by further pressures to increase market access. The demand to remove agriculture and food from the WTO altogether gained force confronted with the impossibility of real negotiations with developed countries on agriculture.

The example of Lee's immolation reminded many--especially Asian countries that share the culture of the "honorable death"--of the plight of their own small farmers. In India farmer suicides have increased dramatically, in Thailand over 800,000 farm families can no longer afford to work their land, and in Pakistan foreign fishing fleets are expected to put 2 million



fishermen and women out of work. Under free trade, many underdeveloped countries, like the Philippines and Indonesia, that were once net food exporters have become net food importers, threatening rural livelihoods and national food security.

When Kenya's minister walked out on negotiations Sept. 14 pronouncing "it was all over," jubilation broke out among civil society organizations that had set the goal last November to "derail the WTO." What the business press and developed countries referred to as a "failure," marked the success of developing countries to defend themselves in the labyrinthine organization and a rejection of the closed-door power plays of the wealthy nations. The walls between them had finally broken down.

Outside, protesters had broken down their own walls as peasant farmers joined with women workers from the border plants, and indigenous peoples with Black Block militants. None of the alliances forged is without its tensions and debilities, but they reflect new horizons of resistance to corporate-led trade liberalization policies.

The future, however, is a more sobering matter.

The U.S. has stated openly that it will now pursue its trade agenda through bilateral and regional trade agreements. In those negotiations, like the talks currently taking place on the Central American Free Trade Agreement, developing countries confront the bargaining power of the U.S. alone or in feeble coalitions of the few.

If Mexico came out of NAFTA with virtually no concessions to its developing country status, imagine what Nicaragua or El Salvador would be likely to attain. Despite Mexico's experience, conservative governments in these countries continue to believe in the seemingly boundless power of the U.S. market to cure their considerable economic woes.

A fate even worse than a bad multilateral WTO agreement may await the Americas. In the aftermath of the collapse of the WTO negotiations, the U.S. will continue seeking to advance its economic liberalization agenda through bilateral (like the recent trade deal with Chile) and subregional (the proposed Central America Free Trade Agreement) agreements on trade and investment. Capping off these separate agreements is the proposed Free Trade Area of the Americas (FTAA). Cancún is only a partial victory. The development of fair multilateral trade rules and the defeat of the FTAA will be formidable walls yet to scale.

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Editor: Laura Carlsen, IRC

Layout: Tonya Cannariato, IRC

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