

Philippine seas (to replace imports), stronger investment guarantees and even the green light to export toxic wastes, while the Philippines got reduced tariffs on a few exported fruits and a quota to be able to send 100 nurses a year to Japan. In the Japan–Thailand deal, Japan got major new investment opportunities in the automobile and health sectors,³⁰ while Thailand got a measly quota to send chefs and masseuses to Japan.

- In agriculture, the imbalance is terrible. Third World countries generally have to dismantle agricultural protections, in the form of tariffs and price controls, while the industrialised country does not have to touch its farm subsidies which form the basis of dumping. The US–Colombia agreement is a stark example. In the first year of the FTA, it is estimated that US farm exports to Colombia will grow 73 times more than Colombia’s farm exports to the US.³¹
- Many North–South FTAs pit neighbouring Southern countries in competition against each other for small market openings of a few products. For instance, Japan has individually promised the Philippines, Thailand and Indonesia, in their separate FTA talks, great new openings for their mangoes and shrimp. But the Japanese can only consume so many of these. Yet exporters in all three countries were led to believe that they were getting special deals on a privileged basis. The same has been happening in Latin America, where the US has promised Colombia, Ecuador and Peru great export opportunities for mango in exchange for what in effect will be the destruction of their domestic production of cereals, meat, dairy and oil crops.³²

While there are exceptions, market access for Third World countries under North–South FTAs is mostly a mirage. Many Southern countries are specialised in a few primary exports that are increasingly structurally controlled by TNCs. FTAs push them further into that trap,

³⁰ Japan is expected to invest heavily in the health tourism industry in Thailand for rich and ageing Japanese.

³¹ Aurelio Suárez Montoya, “Agrio balance del agro en el TLC”, RECALCA, March 2007, at http://www.recalca.org.co/AAdoeducativos/4_AGRIO_BALANCE_AGRO_TLC.pdf

rather than supporting diversification – much less food sovereignty. Southern governments are increasingly trying to apply the same formula to regional trade agreements among themselves, without necessarily addressing the problem of their structural similarities leading to pointless competition.

Keeping the public out: Secrecy invariably shrouds FTAs. Negotiated behind closed doors, only a small group of government-appointed experts is involved, texts are kept secret until they are signed, and in most cases elected representatives have little or no say in the matter. Why countries are negotiating them, what is negotiated, who is involved from the corporate sector, what the impacts will be: these are some of the questions that come up all the time and get the same lame answers. We are told that everyone is doing it, and that we can’t afford to be left out, that we cannot know the details of what is being negotiated because it is sensitive, but to trust that we will see new jobs and new business opportunities as a result.

Ultimately, the biggest problem with the secrecy that shrouds FTA talks is not so much the lack of public knowledge or participation in the process. It is the fact that many FTAs subvert national laws, take authority away from national legal systems and undermine principles established in state constitutions.

The economic hype, the language of fighting terrorism through liberalised trade and investment, and the talk of upholding democracy that surround these bilateral agreements reminds us that neoliberalism and the brute force of imperialism march hand in hand in the 21st century. With the demonisation and criminalisation of many peoples’ movements against FTAs as enemies of the state, to be confronted with repression and brutal security operations, such connections are not far removed from many daily struggles for justice, dignity and survival.

³² Aurelio Suárez Montoya, “La CAN obtiene nichos para comida exótica y entrega todos sus mercados masivos de cereales”, BolPress, 5 November 20 at <http://bolpress.com/art.php?Cod=2006051132>

FTAs and biodiversity

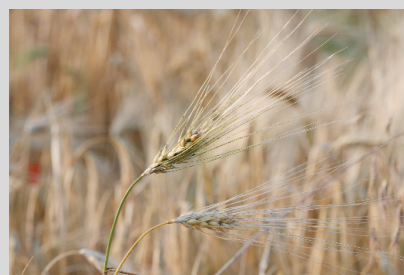
Bilateral trade and investment agreements (FTAs) facilitate the privatisation, exploitation and contamination of biodiversity by global corporate interests. Biodiversity is so crucial for local peoples’ livelihoods and any “alternatives” to mainstream development models, and so intricately connected to local cultures, that these FTA impacts are of vital concern for many people’s movements.

Privatisation

FTAs push the privatisation of biodiversity by forcing countries to change their intellectual property laws to allow for greater private ownership of life forms than the WTO dictates. So countries often have to: (a) change national

laws to make it possible to get patents on plants and animals; (b) set secure conditions for corporate ownership over plant varieties (seeds) by joining UPOV (International Union for the Protection of New Varieties of Plants); and (c) facilitate the patenting of micro-organisms by signing the Budapest Treaty. Some Southern governments are even trying to use FTAs to set up intellectual property rights (IPR) for traditional knowledge related to biodiversity.

These changes in national laws turn what once “belonged” to communities into the exclusive property of transnational corporations (TNCs). So people must pay royalties to use “their” prod-



FTAs are the front line of the push to allow patents on life today. The implications for farmers, and for food sovereignty, are tremendous. Patenting seeds means profound corporate control over the food supply. (Photo: Daniel Schwen)

ucts. Saving and swapping seeds harvested from crops that are someone’s “intellectual property” becomes illegal. Farmers can be sued if patented genes are found in their field, even if they



Farmers in Araypalla, Peru, in 2006: "Another area that will be liberalised with the FTA is the distribution of seeds and GM products. The massive arrival of GM maize from the US will prevent Latin American farmers from being able to protect their crops from genetic contamination and will deny people the right to know what they are eating" (Photo: Francisco Molino)

didn't buy the corporate seed. The purpose is to enhance profits and overall market control for agribusiness TNCs and their shareholders. The US will not sign an FTA without these provisions. The European Union (EU) pushes most of them as well. European Free Trade Association (EFTA) governments and Japan also use FTAs to get strong IPR over biodiversity in other countries.

Exploitation

FTAs make it easier for TNCs to exploit a country's biodiversity in several ways. Bioprospecting – exploration and research into biodiversity seeking useful genes, genetic traits or processes for new commercial products – is included in these trade agreements, generally through rules on services and investment. Many new rights and freedoms are carved out for foreign companies: to come and do research, to export collected biological materials, to get property rights over research results, not to have to obtain legal domicile in the country that you're bioprospecting in, etc. These can clash with, and trump, national biodiversity laws.

Costa Rica, for instance – the country that gave bioprospecting a name in 1991, when pharmaceutical TNC Merck signed a US\$1 million deal with INBio (National Biodiversity Institute) to plough through Costa Rica's forests in search of new medicines – has very careful rules about how foreigners can come and collect biological specimens. Those have been thrown to the wind by the Central America Free Trade Agreement (CAFTA), whose freedoms for US investors will now apply instead of the national biodiversity law. The Malaysian government was also concerned about this happening under its FTA with Japan, so it excluded matters that are governed by state or federal law from the FTA's investment rules for bioprospecting

Globally, FTAs also make it far easier for agribusiness TNCs to set up production, processing and/or export facilities. This happens through the expansion of not only Northern companies but also Southern TNCs, such as Charoen Pokphand (CP) in Asia. By providing new rights and freedom to operate to these TNCs, and other financial incentives, firms are encouraged to set up operations locally. In the areas of agriculture and livestock, this usually means getting farmers to convert to specific seeds or breeds raised in high-tech monoculture conditions. For fishing, it can mean foreign firms gaining rights to exploit local fish stocks, a major concern with the Japan-Philippines FTA (JPEPA). Expansion of industrial food production destroys local biodiversity, either exhausting it or replacing it with a few corporate-approved, highly marketable and profitable breeds.

Contamination

Increasingly, FTAs are used to ensure that countries cannot prevent the testing, commercial release and mass consumption of genetically modified organisms (GMOs). SPS (sanitary and phytosanitary standards) provisions determine what kind of health and safety norms can "interfere with" agricultural trade, which should otherwise be unfettered. As world food production becomes more delocalised, and global agricultural trade grows, countries are anxious to preserve their own health and safety standards. But the US vehemently insists that its standards shall apply to FTA partners. The EU is the same way about its own SPS standards, which it calls "non-negotiable". Meanwhile, TBT (technical barriers to trade) provisions limit the labelling rules.

Washington increasingly requires FTA partners to accept that any food or agricultural product cleared for export from the US is automatically approved for import. The US does all the testing, applying their own criteria, and the other government must agree to trust them. (Not even disputes are allowed.) Yet the US does not have a national, much less credible, food safety system, while it practices an agriculture that is extremely reliant on chemicals, GMOs and other controversial technologies such as irradiation. Korea banned the import of US beef as soon as BSE (mad cow disease) was discovered in the US, yet Washington made the re-opening of Korea's beef market a precondition to any FTA.

Meanwhile, consumers' movements, farmers' organisations, and many others are trying to prevent food and agricultural systems from being contaminated by GMOs. Under pressure from Monsanto and others, the US government uses backdoor channels provided by FTA negotiations to force acceptance of GMOs by those countries still resisting them. It has pressured Australia, Ecuador, Thailand, Malaysia and Korea, among others, in this way. Public pressure in Australia prevented any immediate opening of the market to GM products from the US. But the two governments did agree to set up a committee to further the talks. Washington and Seoul allegedly signed a memorandum of understanding through which Korea would not discriminate against US goods in its implementation of the Convention on Biological Diversity's Biosafety Protocol. This means that GM foods from the US should, as much as possible, not be labelled as such when sold in Korea, since that could hurt US food sales.



The threat of mad cow disease is an important component of public opposition to the US-Korea FTA. Washington is aggressively using the FTA to reopen to the Korean market to US beef exports. (Photo: Chamsaesang)