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Proposal for a transatlantic expert group for consumer concerns, in the scope of WTO negotiations

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Abstract

Consumer concerns pop up. They are related to the safety of agrifood products for people, for animals and for the environment as well as the social and ethical implications of certain agrifood production methods. At first sight, the WTO agreement and the SPS and TBT agreements appear to offer sufficient legal scope to deal with these concerns and resolve trade conflicts. The events of recent years, however, have shown the limitations of these agreements in dealing with cultural differences between nations and with the social and political pressure on national governments to lay down restrictive, trade distorting measures. It is vital that we consider the dynamic relationship between national governments, civil society and the market. In the United States, Canada and Europe, this realisation is growing. We propose that these issues should be studied by experts in several disciplines: technical experts, hygiene experts and veterinarians, public administration experts, lawyers, philosophers, ethicists, sociologists and of course economists. To unite these disciplines and provide a platform for discussion in the light of international trade liberalisation, the cultural identity of distinct communities and the functioning of the democratic nation state an international network are needed. We therefore propose establishing a network to explore the issues and dynamics described above. The network should be international and interdisciplinary with participants, initially, from science and government. The purpose of the network would be to present new perspectives to the negotiating parties in the next WTO round. The first steps to realisation have since been made and an initiative group has been established.

Keywords: WTO, consumer concerns, expert group, food ethics

1. Justification

International trade in agrifood products is increasing and some suggest that this is in part due to the trade liberalisation efforts of the GATT and WTO agreements. However, most economists concur that the major achievement of the Uruguay Round Agreements Act was to bring agriculture trade into the general regulatory framework of the WTO, rather than to significantly increase market access in practice. While some countries have experienced increased economic growth as a result of trade liberalisation in manufactures over past decades, for agriculture the impacts of recent trade liberalisation agreements are yet to materialise. This may be due to the only moderate reductions in trade restrictive measures agreed upon. While increasing economic growth and welfare through increased market access remain the goals of the WTO members, this is often difficult to achieve. A number of critics also contend that the tradeliberalisation does not sufficiently benefit the developing countries and some NGO's have been critical regarding issues neglected by the WTO.

In any case, trade liberalisation is an important process which is by no means complete. Initial efforts were aimed at reducing tariffs and eliminating quantitative barriers to trade. The 1994 Uruguay Round with its adjacent agreements, SPS and TBT, also focussed its attention on the harmonisation of national safety regulations. Achievements in this field are to a large extent responsible for the revolutionary change in the character of the international marketplace - from a suppliers' market to a buyers' market - and by extension, in the relationship between governments, civil society and the market. A very significant aspect of this changed relationship is that the power of national governments to impose restrictive trade measures has been severely curbed.

One consequence of this changing relationship, affecting multinational companies, is that, in some countries, an agreement with the national government no longer guarantees the continuity of business operations. A company's social licence to produce depends on the

support of civil society in a country. In these countries, government support is not the same as popular support. Multinationals have also become dependent on the support of internationally operating single-issue organisations. The Brent Spar affair showed us that these organisations fight their battles strategically, by choosing a country where the multinational concerned stands to lose most.....