

## MAKE TRADE FREE

### How the Doha Round Can Reduce Poverty

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World Growth  
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...Foreword

The Rt Hon Mike Moore

...The report is merciless towards some NGO's that have demonized the WTO, said it's got too much power and then want to overload it with all sorts of worthy causes. 'Causes' it's impossible to oppose if you are from a liberal democracy but for which there are already international/agencies with budgets and staff numbers, sometimes ten times the WTO's resources. They sniff a conspiracy to use such worthy issues by wealthy nations to smuggle protectionist policies back and provide some evidence of this.

This should be read by all who have an interest in global growth, who worry that the new activism of well-meaning NGO's may indeed be successful, as a former President of Mexico once said of saving developing countries from development. (p. 2).

...8. **Green regulation – the new protection** (p. 21)

**Using regulation to restrict trade is an old trick.** France famously once required Japanese electronic products to enter France through an out-of-the-way port. The cost of using it deterred imports. It is why the GATT bans measures other than tariffs to control trade. This is what in particular Green NGOs do not like about the WTO. **The WTO inhibits misuse of regulation to control trade. The EU and Green NGOs want to change that.**

**The WTO allows members to control trade for legitimate purposes like protecting health and safety. It requires that such controls be based on sound science and risk assessment. This is consistent with the principle that governments should limit regulation to protect health and safety. If consumers want other information about products, they get it from the market.**

This does not sit well with some governments and many NGOs. **Most today favor environmental standards that extend beyond health and safety. The Greens favor a heavy government hand to set and enforce environmental standards.** They like trade sanctions.

A better way to protect the environment

What gets lost in the environmental debate is that there is a more civilized way to create international environmental standards than using trade coercion. The traditional way of developing international laws is to negotiate with others to develop new standards, enshrine them in a convention, and then adopt them in national law. The problem is that many of the positions taken by the Greens cannot secure international support.

The Greens have found they have had more success lobbying the European Commission and Parliament (and the US Congress) to adopt the standards they prefer then to enforce compliance on trading partners with threats of trade bilateral trade sanctions. 35

Most members of the WTO oppose “greening” the Organization. Nevertheless, the EU succeeded in getting environment included in the mandate of the Doha Round. The view of the Environment Directorate in the European Commission is that ground must be conceded to it on environmental issues in the final result from Doha.

35 This is the strategy WWF and Greenpeace are pursuing with the EU on forestry. Governments do not support their calls for global treaties on forestry. They have succeeded in having the EU decide it will threaten bilateral trade bans on developing countries if they do not stop illegal logging.

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