



Comments of the Trade Justice Group

Public consultation on the future EU 2020 strategy

The Trade Justice Group campaigns to help achieve just and sustainable global trade policies and practices. The group is made up of volunteer members who have been working for Trade Justice since 1998.

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Thank you to Donal O'rathaille

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The Trade Justice Group welcomes this opportunity to contribute to the debate on the shape of the future EU strategy. This consultation and the dialogue is an important opportunity to reshape the way in which the European Union approaches its Trade policy. This paper presents our comments on 5 aspects we believe are the core of the 2020 strategy:

- Preservation of Energy, natural resources and raw materials are part of European Union new strategy.

We are glad that the commission is considering a more efficient way of using resources. However, this strategy does not take into consideration the needs of the countries that supply these resources. What type of partnership will be set up between the EU and developing countries in which the needs of developing countries would be accounted for? We are concerned and worried given that current EU policy, in the framework of Global Europe and EPA's, consists of trade agreements that do not include these principles. Indeed, it has been recognised and reported by NGO's that the pressure applied under existing trade agreements on developing countries has caused degradation of the environment, biodiversity, and overall population well-being.

- The Commission is insisting on the leadership role of the EU in terms of economic growth, sustainable development, social progress.

It is of course important to link economic and social progress and to aim for both. As a leader the EU should call for those achievements within its border as well as outside. Too many times, trade policies have been made without taking into consideration both aspects leading to loss of jobs, reinforcement of the big corporation at the expense of small and medium enterprises, and a worsening of inequalities within the EU and within the EU's trading partners. We believe that trade agreements currently being negotiated by the EU under the framework of EPA's and Global Europe will not enable the EU to achieve its aim. We therefore call for a rewriting of Trade agreements for them to have not only an economic component but also a social and environmental one.

- Intellectual Property rights

Intellectual property rights aims at encouraging innovation and new technology to ensure growth. Nonetheless their implementation can put at risk population survival. In the case of agriculture, seeds control by owner of patent can endanger food security. In the case of the pharmaceutical industry, it can lead to a lack of medical treatment. When considering intellectual property rights in the framework of trade agreements with developing countries, the EU have the obligation to assess the impact on vulnerable countries

- Interdependency at global scale

We are part of the same world. A policy decided by one country has the power to affect others countries. Climate Change is the ultimate example of the global outcome of unwise choices taken by some countries whose repercussions are largely borne by the poorest countries. We therefore cannot design policy without taking into account the effects that they will have on the other part of the world. Indeed we fear that the current trade agreements decided by the EU are perpetuating and reinforcing inequality between the north and global south at all levels (macro and micro); entire sectors have been destabilized with loss of jobs, strengthening of big players (mainly multinationals), and enrichment of the elites in developing countries. We fear that existing trade agreements are instrumental in maintaining the status quo in developing countries, banishing hope of a better future. Migration is somehow the immediate result of the status quo. Currently, Europe has to contend with a flow of migrants that will inevitably increase if policies are not enacted that will progressively improve lives in developing countries. Failure to tackle this issue before it becomes more serious will adversely affect European society.

- Trade

Trade can be the engine driving growth, employment and investment within the EU. Nonetheless studies have shown that large-scale outsourcings and relocations, leading to disinvestment and employment decrease throughout the EU, have followed particular trade agreements. Nevertheless the EU has the financial means to ease these shocks. The EU has itself established a fund for this purpose and the 2020 strategy has a strong focus on continuing education and flexi-security. People become the adjustable variable of the economy. In this view, the EU's trade partners in the global south are also seen as an adjustable variable. A utilitarian vision of the partnership, mainly in terms of market access to raw materials and natural resources, is underlying the EU 2020 strategy. The commission refers to international trade based on rules and aims at diminishing exchange obstacles. The past years have seen the EU's partners, mainly developing countries, open their markets without meaningful quid-pro-quo market openings from the EU, especially in the agricultural sector. The EU is using trade rules at its discretion. It is preserving parts of its industry by not applying trade rules. But it demands that vulnerable countries apply what it is unwilling to do itself. This should lead to a reconsideration of trade rules and trade agreements. The ending of all barriers to trade must not be the only aim of trade policies, trade must be and must remain a tool to achieve social progress and economic development without increasing inequalities.