

Fighting FTAs: An international strategy workshop

Organised by FTA Watch with bilaterals.org, GRAIN and Médecins Sans Frontières
Bangkok, Thailand 27-29 July 2006

Summary report

prepared by the workshop organising team | September 2006

"For the WTO resistance, it is easier to gather people across countries and continents to mobilise together. But with FTAs, we are struggling on our own."

"I've never seen a repression so strong in Ecuador as that against the social movements fighting the FTA."

"The Australian government is only just realising now that its ability to regulate has been curtailed by the US FTA."

"A reformed FTA can never be the alternative. The only alternative is no FTA."

"FTAs and farmers cannot live under the same sky."

-- different participants at the workshop

Introduction

In recent years, the US, Europe and other industrialised powers have been stepping up their efforts to sign bilateral free trade agreements (FTAs) and bilateral investment treaties (BITs). This increased attention to bilateral deals goes hand in hand with the deadlock in global trade talks at the World Trade Organisation (WTO). FTAs commit countries not only to accelerated liberalisation of trade in goods, such as agricultural products, but bring in new rules for trade in services, intellectual property rights, investment, etc. Negotiated outside the multilateral system, even further away from public scrutiny, they provide even greater freedom for the world's most powerful governments to push developing countries, and smaller industrialised countries, to adopt policies that are much worse than what is agreed to at the WTO.

Despite their name, these agreements are about much more than trade. They provide transnational corporations (TNCs) with vast, new, legally enforceable rights in foreign markets. Countries are being hand-picked for bilateral agreements on the basis of geopolitical concerns. Much of the FTA "chess game" today is a competition between large powers trying to secure spheres of political and economic influence. Competition between the US and the EU is a key part of that dynamic. But China, India, Japan, Brazil and others are also vying for a place in the emerging new landscape.

People's movements have been fighting FTAs ever since the North American Free Trade Agreement (NAFTA) was signed between Mexico, the US and Canada in 1993. Over the years, that fight has multiplied and grown -- from Morocco to Korea and from Ecuador to Thailand. To our knowledge, so far only one FTA negotiation process has been stopped as a result of social mobilisation and pressure. In other instances, particularly in Korea, social movements have caused significant disruptions and delays of their government's FTAs. Still, many grassroots struggles

against FTAs and BITs have remained cut off from each other, a direct result of the "divide and rule" logic of bilateralism. FTA Watch, a loose coalition at the forefront of the struggle in Thailand, felt a strong desire to break this logic and share experiences with anti-FTA movements in other countries. It called on bilaterals.org, GRAIN and MSF -- all of whom had been involved in global work against FTAs and BITs for many years -- to help them organise an international strategy meeting, which was held in Bangkok on 27-29 July 2006.

This workshop brought together, for the first time, movements from many different countries which have been fighting FTAs and BITs. Participation hinged on people who have been directly involved in grassroots struggles to derail these agreements. Nearly 60 participants came from 19 countries across every time zone. Rather than attempting to set up a new network or build a common agenda, the workshop's objectives were to share people's experiences fighting FTAs in different countries and to build strategy ideas to strengthen national, regional and international struggles against FTAs.

Analysis of contexts and trends

WTO in crisis, shift towards FTAs: While FTAs are just one tool to make countries more friendly to transnational capital, the failure of the WTO to reach any agreement is clearly adding to the impetus behind many governments' vigorous pursuit of FTAs. The collapse of the Doha Round the day we arrived in Bangkok was just one more reminder of this obvious connection. But FTAs do much more than make up for a failed WTO. For nearly two decades now, they have been used to deliberately lock countries into political, economic and social policies -- such as stronger patent monopolies on medicines -- which are far more extreme than the US and Europe could ever achieve in the multilateral fora.

Global neo-imperialism: The push for FTAs is a complex, global phenomenon with both North-South and South-South agreements on the rise. The North-South deals are comprehensive (they cover a huge number of issues) and serve to instantly open up new opportunities for TNCs to extract more profits from developing countries. They further help dismantle states through privatisation, deregulation and by pulling jurisdiction over disputes away from national courts. The South-South deals tend to be less comprehensive and less oriented towards an overhaul of national laws, but their impacts on farmers, workers and the environment can and have been devastating.

North-South FTAs are neo-colonial. They turn developing countries into a pool of natural resources or cheap labour for the benefit of TNCs. Many industrialised countries are pursuing deals similar to the US model, even if the language differs. With the promise of greater access to US markets, and the blockage at the WTO, governments of many developing countries are eager to go into such agreements. The surge in South-South FTAs is often limited to specific sectors but, like the North-South deals, also revolves around an intense jockeying for power. Emerging giants such as China and India are pursuing FTAs as a way to gain influence in Asia and beyond. In Latin America, FTAs are both a theatre and a tool of power struggles in the region, especially between Mercosur, the Andean Community and the new alliance between Venezuela, Bolivia and Cuba.

Beyond trade: The term 'free trade agreement' is a misnomer. FTAs basically give corporations in one of the signatory countries a very broad set of new rights in the other: rights to dictate the terms of their investments there, rights to buy state industries, rights to deliver local services such as education and health, rights to get access to natural resources and energy sources and rights to effectively sue the government of the other country if it does not fully meet their wishes. FTAs are also highly geopolitical treaties, aimed at cementing political alliances between specific countries. FTAs with the US are inextricably linked to American military and national security interests, invariably requiring support for US foreign policy.

Pure secrecy: In all countries, North or South, the secrecy surrounding these agreements is often more intensive than any Green Room process at the WTO. The public and its parliamentary representatives are routinely denied the right to see any text before it is signed. In FTAs with the US, some countries are even obliged to keep the negotiating history secret for several years. For all the hype about democracy, FTAs are profoundly anti-democratic. To speak of FTA "negotiations" is, in this sense, another misnomer. It is more accurate to say that FTAs are imposed, rather than negotiated.

Shifting accountabilities: A common feature of bilateral free trade and investment agreements are provisions that give transnational corporations the power to effectively sue governments for any claimed acts or omissions which a corporation says is interfering with its rights as an investor. These rights include the right to "anticipate" a profit. Investor-state disputes are on the rise. Under bilateral investment treaties, Bolivia and Argentina have been sued by Bechtel and Azurix (a former Enron subsidiary) respectively, for hundreds of millions of dollars even though it was the Bolivian and Argentine people who were denied proper or affordable water services by these companies. These cases are not fought openly in national courts under national laws, but through closed-door arbitration proceedings at the World Bank's International Centre for the Settlement of Investment Disputes.

The real losers: It is very clear from many different country experiences of FTAs that they do not benefit farmers or workers. This is sometimes hard to explain to people because governments and the corporate media bombard us with the message that agricultural exports will increase. Yet even where they do increase, none of the gains go to the producers -- they go instead to retailers and traders. Through FTAs, countries are being pushed to export the same products to the same slim market openings, squeezing poor people into ruthless competition over breadcrumbs. At the same time, the experience on the ground is that neither job security nor wages have improved as a result of FTAs. Korea is often portrayed as a model of success in neoliberal reform, and has signed many FTAs to lock this in, but the hidden unemployment of Korea's youth is staggering. Chile is not much different, while the negative impact of FTAs on workers in Mexico (1.5m agricultural jobs lost because of NAFTA) and Jordan (human trafficking into textile factories to take advantage of the US-Jordan FTA) have been well documented. In Morocco, a lot of companies have had to close down and people have lost their jobs because of the FTA with the US. In the longer term, the violation of people's land rights, the push towards greater migration and the further dismantling of the state -- all of which we see happening through FTAs -- will further deepen their devastating consequences.

Shared experiences in the resistance

Strengths / successes...

- Certain countries have been successful in building very broad anti-FTA coalitions at the national level, such as Morocco, Costa Rica, Thailand and Korea. This was through mobilisation on the basis of an understanding that the FTA will affect every aspect of social and economic life in the country. In Morocco, for example, the protection of human rights (right to food, right to health, right to education, right to self-determination, etc) was the banner for uniting a broad range of social sectors to campaign against the US-Morocco FTA. In Korea, the opposition movement started in the peasant sector but has quickly spread out to trade unions, the cultural sector, health workers, teachers, consumers, the media, etc. In Costa Rica, the anti-CAFTA movement has also been highly diverse -- and strongly uncentralised, making it hard to manipulate. In Thailand, the cooperation between people living with HIV/AIDS and farmers has been a backbone of the resistance.
- A number of countries have been very successful in mobilising mass actions. In Colombia, a million people took to the streets in organised anti-FTA protests. In Ecuador, social movements were able to exert enough pressure for the government to cancel Occidental Petroleum's oil extraction contract, effectively putting the US-Ecuador FTA in limbo. The second round of US-Korea FTA negotiations brought 100,000 people into the streets of Seoul.
- Detailed, independent research and analysis has been crucial to our campaigns. Rather than focusing on one issue, research on FTAs needs to cover all the issues in order to be relevant and support movement-building. In Korea, a team of 300 was mobilised to investigate the different aspects of the proposed US-Korea deal, illustrating how it will affect farmers, workers, film-makers and service sectors. Mapping the impacts in detail is difficult and time-consuming, especially when the proposed text is not available. But looking at what happened in other countries that have already signed FTAs, such as Mexico and Chile, has often been very useful.
- Countries such as Colombia, Ecuador and Costa Rica have succeeded in mobilising extensively by using new pedagogies based on people-to-people communication.
- In many places, resistance movements have succeeded in getting media coverage of the people's struggles against FTAs, though not without difficulty.
- Some groups fighting bilateral FTAs have been able to use parliamentary and other legal processes (freedom of information laws, constitutional provisions) to get information, arouse public attention, and in some countries even delay the deal, for example in the Philippines and Costa Rica.
- In a number of countries, building and sustaining common ground and tactical alliances with small and medium-sized businesses has been important to the campaigns. FTAs usually only benefit a small minority within the business community. It is common for some local firms, such as pharmaceutical companies or livestock operations, to come out in opposition to FTA talks. Social movements have various (and mixed) experiences working with them in the national campaigns.

- Largely because of the pressure generated by social movements, FTAs have become a key issue in elections, and periods of popular mass mobilisation against governments, in several countries. This focuses the debate on the real social and political implications of the agreements, rather than their technical details. Australia, Ecuador, Peru, Costa Rica, Thailand, Mexico and Colombia have all experienced this process.

Weaknesses / drawbacks...

- FTAs do get signed, despite people's resistance. We cannot rely on parliamentary processes, media exposure or sporadic actions. We need to build mass public pressure through sustained campaigns to stop the agreements. If our struggle does not succeed in stopping the signature or ratification of an agreement, it is not the end of the struggle - we need to continue the fight.
- Links with other movements and campaigns -- be they national, regional or international -- have sometimes been weak. Globally, most people have been organising against WTO. Campaigns against bilateral agreements have been restricted to countries where they are being negotiated, mostly in the South. While bilaterals.org has been a useful source of written material, this workshop was the first effort to physically link up activists from so many different countries who are actually engaged in the same struggle worldwide. And while there are many commonalities in the impacts of neoliberalism, and between our struggles, we are quite aware that our movements and contexts are very different. This will necessarily impact on strategies and the kinds of alliances we can build at the national level, which is where we have to fight these FTAs.
- It has been very difficult to establish common purpose with groups from countries at "the other end" of the FTA -- especially with the North-South deals -- given the differing contexts between and impacts upon the two sides. There have been few successes among us in building alliances with groups in the North -- such as the US, Japan or Europe -- in fighting FTAs. However, several groups present at the workshop will try to build these links further.
- It has proven difficult in some countries to link up all sectors within the domestic battles against FTAs. For example, some campaigns have not managed to link up successfully with organised labour. In other cases, workers' interests have been perceived as different from farmers' and indigenous peoples' concerns. In yet other cases, indigenous peoples and farmers have been divided.
- Access to detailed information from the government's negotiating draft has been difficult in all countries. However, given the lack of publicly available information, it is not worth spending a lot of time and energy trying to find out the details of the texts. Much can be learned by analysing other countries' experiences.
- Our analysis must go deeper and lead to action. We need to do more to examine the role of specific TNCs in pushing for, and reaping the profits from, FTAs and investment treaties. Also, especially with militarism and security concerns gaining ground, we need to better analyse broader geopolitical rationales linked to FTAs, including getting a better understanding of the interests of countries like China, India, Brazil and South Africa.

Strategies to take us forward

Overcome the tactics of divide and rule: Many governments are using divide and conquer tactics to confuse and divert people's concerns about FTAs while they go ahead and negotiate on the basis of promoting their private interests. Many times the question was asked: how do we deal with such tactics, when the FTA is expected to have winners and losers in different sectors? The losers are expected to sacrifice for the benefit of other sectors. Countries who have faced FTAs for many years now, such as Mexico and Chile, and even more recent experiences in Australia, have shown that the promised gains were greatly overstated, and in some cases 'bald lies'. Where benefits have come to the less powerful country in the deal, these have accrued to a very select group of business elites. In some cases, the main local beneficiaries are local partners of transnational corporations. Where FTAs open up new opportunities for foreign corporations to take over a country's essential services, utilities and the finance sector, everyone will be affected.

Expose and confront co-optation strategies: The language of social movements and concepts like "partnership" are increasingly being co-opted by promoters of neoliberalism. Governments are co-opting NGOs and communities, and even creating pro-FTA "community organisations", in their drive to sign FTAs. USAID and other so-called development assistance agencies have been effectively supporting this strategy in all of our regions. We need to expose "dialogue" and "participation" processes that are designed to neutralise opposition and legitimise neoliberal policies like FTAs, and counteract them with our own analysis and action.

Alternatives? When fighting FTAs, social movements are often challenged to come up with an alternative. Many workshop participants felt there was no need to engage in such an argument. Our coalitions are built around stopping the advance of neoliberalism, and we have to uphold consensus positions and baseline objectives. In many cases, we do not need to look for an alternative: the things that FTAs aim to destroy, such as peasant agriculture or collective rights, already exist as an alternative. Besides, as FTAs are much more about investors' rights than trade, what are we supposed to develop an alternative to? Rather than provide governments with an alternative, the onus should be put on governments to explain, and try to justify, what they are trying to achieve through their FTA.

Beware of regional integration when it promotes neoliberalism: People's organisations value solidarity and cooperation, and some have been open to discussions about redesigning trade relations at the regional or subregional level based on these principles. The example of ALBA -- the Bolivarian Alternative for the Americas promoted by Hugo Chavez to oppose George Bush's Free Trade Area of the Americas -- was particularly debated in this respect. However, as ALBA is still at an experimental stage, more time is needed to assess how far it can meet its aims without running into contradictions. Others felt that given the non-representativeness of governments, South-South trade arrangements and regional blocs will not deliver any better results for the majority of the people than the North-South agreements. As one participant put it, "Neoliberalism is never questioned. That's where the problem lies."

"No FTA" means no to neoliberalism: It is important to draw the line, take a clear "no" position and lay bare the real issues early on in the struggle against FTAs. Many participants commented that the most successful struggles among the experiences we shared were those that linked FTAs to neoliberalism more generally. Privatisation affects everyone -- from high school students to pensioners. So does deregulation. These are what FTAs are trojan horses for PLUS investors' rights and geopolitical-military alliances. This is what the workshop honed in on as the core substance of FTAs. Therefore, while we focus on free trade agreements as very specific instruments, we need to be clear about what is at stake, what our positions are and what the battle is really about.

Actions for further collaboration

The participants agreed to collaborate in a number of areas:

Popular education, research & information

1. Prepare a map of anti-FTA struggles around the world.
2. Exchange information and analysis, probably through the internet. This should include an inventory of research and education materials that have already been produced, as well as ideas about materials to produce in the future. This can be posted on bilaterals.org and an equivalent Korean website, plus possibly other websites.
3. Consolidate our experiences through a list of common questions and answers about FTAs: what is an FTA, who will benefit, who will lose, etc.
4. Develop a synthesis document analysing the implications and impacts of FTAs.

Participants were emphatic that this research and information work must be action-focused and relevant to grassroots struggles.

Movement-building

1. We need to study details of neoliberal policies in all of their manifestations and denounce them. In doing this, we need to explain how FTAs affect all sectors of the population.
2. In our different contexts, we can map the strengths and weaknesses of both neoliberal forces and our own social forces in order to mobilise as effectively as possible.
3. We need to highlight the increasing criminalisation of our movements and protect them.
4. Movements need to document and exchange information, pool data on FTA impacts and resistance from other struggles for use in mobilisation.
5. Korean social movements will hold a workshop in Seoul during the 4th round of US-Korea FTA negotiations in October 2006, to share experiences and build the fight against FTAs in the region. This will be specifically for people's movements in the Asia-Pacific and the US.
6. A day of action was proposed to coincide with La Via Campesina's day of action on 10 September. This day could be adapted to local contexts: for example, a day of action against a specific FTA or against neoliberalism.
7. Groups involved in the World Social Forum (WSF) will push for an international FTA meeting at the next WSF, to be held in Nairobi in January 2007.