

Welcome to a new edition of the bilaterals.org podcast where we discuss the most recent developments around free trade agreements.

Trade's relation to geopolitics has gone up and down throughout history but it is safe to say that the two have always been connected. Free trade and investment agreements have always been used to advance corporate interests but also state geopolitical and security interests. Today this connection is far more obvious than it was a few years ago.

For example, 20 years ago, the Free Trade Area of the Americas was proposed by the US as a means to extend its influence across the whole continent. But it was defeated by social movements and the reluctance of some governments in the region. More recently, during the negotiations of the TTIP and CETA agreements, former EU trade commissioner Malmstrom spoke of Europe and North America's declining influence on international economic rule-making and the need to counter this trend through both FTAs.

Now, the Russian invasion of Ukraine, in addition to disrupting energy markets and supply chains for wheat, fertilizer and other, has brought a sense of urgency to energy security and geopolitics.

The EU is now accelerating trade talks with Australia, Mexico or Chile, the latter of which possesses the largest lithium reserves in the world.

As for the US, in its 2022 National Security Strategy, the gov accuses China of reshaping the international order, which is used to justify the US' own imperialist aims, that is the continued dominance of Western capital and US-style market governance.

The US' recent measures to restrict China's ability to import advanced computing chips and the push for the IndoPacific Economic Framework to contain China's influence in Asia are two examples of the strategy being carried out which is reminiscent of similar strategies used during the Cold War.

Last summer, the Ecuadorian government announced that it would seek a free trade agreement with China this year. Social movements slammed the news and took to the streets to protest against the agreement.

Indigenous peoples said that Ecuador's FTAs with the US and the EU have already hurt their agriculture, their work on the land, their ability to feed themselves and therefore they would fight the FTA with China.

Other groups condemned the move as well, saying that free trade agreements implied granting enormous guarantees to foreign investors, such as international arbitration. They added that investments from Chinese companies already enjoyed huge protections that translated into a renouncement of sovereignty and the subordination of fundamental rights. They say that the FTA would only make the situation worse.

China already has FTAs with other Latin American countries, including Chile, Peru, Costa Rica and is currently negotiating with other countries like Nicaragua and Panama.

Earlier this month, bilaterals.org leaked the demands of the UK in the intellectual property chapter of the FTA with India. Civil society organisations including Doctors without borders known as MSF slammed this proposal.

MSF said the leaked chapter contained harmful provisions that go beyond what is required by international trade rules through the World Trade Organization's TRIPS Agreement. MSF is concerned that these "TRIPS-plus" provisions could undermine India's robust pro-public health safeguards, by requiring the country to change its national intellectual property and drug approval laws to introduce more monopolies on medicines. This could have a detrimental effect on the sustainable production, registration and supply of affordable, quality generic

medicines from India, upon which millions of people around the world rely.

The COP27 took place this month in Egypt. During the event over 300 civil society organisations called on governments to remove the threat that investor state dispute settlement (or ISDS) poses to the climate.

The statement, which was signed by bilaterals.org, stated that for many years, oil, gas, mining, extractives and energy corporations have brought hundreds of ISDS cases against countries. It added there was an increasing number of cases that directly challenged climate policy. Fossil fuel corporations are already suing over coal phase out, the cancellation of a tar sands oil pipeline, a ban on offshore oil drilling and fracking regulation. It is worth noting that energy and mining cases make up 42% of known ISDS cases.

In the meantime, the Australian government vowed to strip future free trade agreements of ISDS provisions and water them down in existing deals.

UNCTAD also published a report that suggested that reforming the international investment regime was critical to enable countries to address the challenges of climate change.