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## **Canada Risks Sleepwalking into Seattle**

The third ministerial meeting of the World Trade Organization, which will take place in Seattle from Nov. 30 to Dec. 3, certainly won't be the usual sort of boring diplomatic affair.

While trade ministers and officials gather behind the closed doors of the Washington State Trade and Convention Center to go about the important, but un-exciting, business of setting the agenda for a new Millennium Round of multilateral trade negotiations, a rainbow coalition of protestors will be massing outside to demonstrate against globalization. Groups such as Greenpeace, the Sierra Club, Friends of the Earth and the Council of Canadians have already taken out massive ads in major U.S. papers to protest against what they see as the dangerous homogenization of global values.

Their demonstrations in Seattle will be loud and boisterous. Planning has been under way for months. Seattle City Council helped set the stage by voting unanimously to make the city an "MAI-free zone," a reference to the Multilateral Agreement on Investment. Boot camps have been set up to teach protesters how to scale tall buildings and monopolize short media attention. If nothing else, Seattle will probably win the prize for being the most action-packed trade get-together in history.

Trade and globalization has become very hot of late. And the opponents of trade have tasted blood with their success in getting the industrialized countries to scrap the proposed MAI. Perceiving the vulnerability of the fledgling WTO, the anti-traders are anxious to push their advantage to the hilt and to take on the WTO now when public support appears weak.

Governments, particularly in North America and Europe, have been spooked by the virulent opposition of non-governmental organizations to trade and investment negotiations. A new euphemism—"civil society"—has even been coined to refer to these, not always civil, groups. "Managing the relationship with civil society" has become an overriding preoccupation of governments in the industrialized world. Unfortunately, it has meant keeping your head down as much as possible and has come at the cost of constructive leadership on the unfolding trade agenda.

A case in point is Canada's stance going into the upcoming ministerial meeting. When the House of Commons Standing Committee on Foreign Affairs and International Trade issued a report in June containing detailed, if somewhat vague, recommendations, the government chose to wait until yesterday to produce an official position paper on its negotiating objectives. Canada has only hurt itself by not taking the process forward until now, unlike the United States and the European Union, which have been arguing their detailed positions for months.

Even then, the report released yesterday was remarkably short on specifics. For instance, while Europe has made specific proposals to better enforce multilateral environmental agreements through trade, Canada offers only general wishes in this area.

In the past, Canada's influence in trade negotiations, which in the jargon of boxing enabled us to fight above our weight, stemmed from an uncanny ability to come up with creative positions on controversial issues early in the negotiations before the positions of the other players had crystalized.

This time, Canada has captured no one's imagination with an innovative proposal and is playing catchup with others' proposals. It must now assume more of a role as a mediator or an honest broker if we are to exercise an important influence on the course of the negotiations. Canadians shouldn't allow themselves to be browbeaten by anti-trade forces into surrendering before the negotiations have even begun, especially since most of the protesters know little about trade and economics.

The Millennium Round will unfold with or without Canada's active participation-But given the tremendous importance of trade to our economic well-being, Canada would be a lot better off being constructively involved in the formulation and debate of ideas from the very outset. That way we stand a chance of shaping outcomes that work for us.

The next multilateral round will address matters that would vastly improve our economic and social well-being. Such new trade issues as the environment and labour standards are on the table and would formalize the linkages between trade rules and other critical policy domains. Negotiations into such things as E-commerce, competition policy and intellectual property are under way that would update the WTO's coverage of new economy items-Other important areas such as agriculture must have their subsidies cut so unprofitable production is reduced and farmers in countries such as Canada will finally enjoy better returns.

The Millennium Round will be an important symbol of the direction that world trade is going to take in the 21st century. Either there will be continued progress toward an integrated global economy or a slide into growing protectionism. Global free trade among industrialized countries is only a couple of more WTO rounds away.

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