

Lobbying for fair trade: Northern NGDOS, the European Community and the GATT Uruguay Round

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On 20 September 1986 Ministers of Contracting Partners to the General Agreement on Tariffs and Trade (GATT) launched the Uruguay Round of Multilateral Trade Negotiations. The Uruguay Round was the most ambitious and far reaching set of trade negotiations in the postwar era. It offered the opportunity to create a more equitable global trading system, founded on the principles of sustainable development, one which would replace the anarchy of the market by a system of rules and trading conditions beneficial to both North and South. It provided an opportunity to pull both the developed and the developing world out of their respective recessionary spirals.

In the past the products negotiated under the traditional areas of GATT-regulated trade were of less interest to the developing countries. However, by the beginning of the Uruguay Round their share of world exports of manufactures had risen to 12.5% (over half their total trade) and by 1992, to 20% (almost three-quarters of their total trade). They had become both significant competitors for Northern markets, and themselves significant markets for Northern exports.¹

For the developing countries the Uruguay Round provided a platform to address long-seated grievances about Northern control over commodity pricing, over the array of tariff and non-tariff barriers to Southern goods,² which were seen as 'constraints on strategies for dynamic change and industrialisation';³ and over Northern subsidies, artificial surpluses and dumping on the world markets.⁴ It also offered an opportunity to argue the case for greater regulation of the growing power of transnational corporations (TNCS), to limit their threat to indigenous industries, their depletion of natural resources and degradation of local environments.

Unfortunately the Uruguay Round also opened the way for the industrialised countries to assist themselves out of their own recession by further tipping the balance of trade in their own favour. To take advantage of their own economic and technological superiority to further exploit the Third World instead of assisting in its development.⁵ This they sought to do by introducing new areas of exploitation and hegemony, new themes around Trade in Services (primarily banking and insurance), Trade Related Intellectual Property rights (TRIPS) and (Trade-Related Investment Measures) TRIMs.⁶

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Most developing countries were opposed to the launch of a new GATT round, in part because the North had failed to meet prior commitments and obligations; in part because of their justifiable trepidation over the introduction of the new themes, which many considered to be outside the remit of the GATT.⁷ According to Chakravarthi Raghavan Third World countries 'were virtually dragged into the negotiations, much against their will and better judgement'.⁸ As we shall see, their reticence was not without good cause.

The European NGDO community has been actively working on trade issues for over 20 years. In January 1995 a study commissioned by the Catholic Institute for International Relations (CIIR) found 'over 150 NGOs said they are active on trade issues, ranging from boycotts of specific products to long term, Europe-wide campaigns around GATT'.⁹ The agencies involved cover the entire NGDO spectrum—from ecumenical and project-orientated organisations to campaigning and political pressure groups. By the latter half of the last decade the international trade agenda was dominated by the GATT Uruguay Round negotiations. NGDO concerns began to focus on their potentially devastating effect on the developing world. The European Community (EC) (as it was then called) was given sole competence over the GATT agreement by its member states and the European Commission was given the role of negotiating the agreement. As such European NGDOS tended to target the Community institutions and the national delegations and ministries which liaise with them.

The largest Brussels-based network, the Liaison Committee of Non-Governmental Development Organizations to the European Communities, heads a democratic framework encompassing a formidable array of some 700-plus NGDOS. It has been their central link to the Community institutions since 1976. The European Commission has a Secretariat specifically to work with relations with NGOs (DGVIII D/3); the nature of that relationship gives the Liaison Committee direct access to the process of decision. Separate from, but in many ways complementary to, the Liaison Committee are other networks which have been established in Brussels in recent years. The most influential networks are The Association of Protestant Development Organizations in Europe (APRODEV), The International Cooperation for Development and Solidarity (EURO-CIDSE) and European Solidarity Towards Equal Participation of People (EUROSTEP), respectively Protestant, Catholic and secular networks. APRODEV and EUROSTEP are relatively new networks, having been established in 1990 with 11 and 23 member NGDOS from nine and 15 European countries respectively. EURO-CIDSE was set up in 1991 but its parent organization, CIDSE has been based in Brussels since 1967 and has coordinated and facilitated the work of its 20 member agencies for some 28 years. These three networks represent a small number of NGDOS, but they represent the larger ones, and therefore, the bulk of the money in NGO coffers. They are funded entirely via subscriptions from their member NGDOS and, unlike the Liaison Committee, are therefore financially independent of the European Commission.

Additional to the confessional networks are non-denominational, single issue networks, which cover such diverse areas as South Africa, the environment, immigration in the EU, the pharmaceutical industries, Third World debt and the GATT negotiations. The International Coalition for Development Action (ICDA)

was formed in 1975 in order to provide a framework for effective lobbying campaigns on development issues. In recent years those campaigns have focused on the need for structural changes in international trade and finance. The ICDA Secretariat is funded from various sources—NGDOS, church groups, governments and the Commission.

The NGO-GATT Steering Committee

In 1988 an NGO ‘Shadow GATT Conference’ was held in Montreal. The following year an UNCTAD NGO forum met in Geneva to shadow the GATT talks there. At that forum the NGO-GATT Steering Committee was established, comprising over 20 European development and environment NGOS and NGO networks. Myriam Vander Stichele, the Chief Negotiator/Trade Programme Coordinator for ICDA, took on the general administration duties of the Steering Committee. Simon Stocker, Director of EUROSTEP, and Clive Robinson (International Department Christian Aid/Chairmen of the Liaison Committee Food Matters Working Group) were co-chairs. The Steering Committee quickly became the driving force on the GATT, coordinating the different NGO activities and conferences on the Uruguay Round; monitoring the negotiations; analysing specific issues; and attempting to facilitate lobbying around common positions. Position papers were sent to negotiators, Ministers and national and European MPs and discussions took place with various EC negotiators, including Jacques Dugimont, the Commission’s Uruguay Round Coordinator. The other main Brussels-based networks working on the GATT were ICDA and EUROSTEP. All three networks operated from the same building in Brussels, facilitating close cooperation between them.

Myriam Vander Stichele’s main objective was to organise a Shadow Conference at the Heysel, Brussels (28 November to 2 December 1990), an open forum attended by 28 NGOS from the North, 27 from the South. The forum was funded by the Commission, the Liaison Committee, the networks of The European Ecumenical Organization for Development (EECOD), RONGEAD, and National Centrum Voor Ontwikkelings-Samenwerking (NCOS), and by the World Council of Churches, together with a dozen or so of the larger NGDOS.

A 10-point declaration was produced, entitled ‘A People’s GATT for World Development’, together with a document entitled ‘Bringing GATT Out of the Shadows’,¹⁰ which served as a lobbying instrument for the ‘Gattastrophe’, a series of public discussions organised the following week by the Groupe de Recherche pour une Stratégie Economique Alternative (GRESEA), which met concurrently and a mere 100 m away from the Ministerial negotiations at the Palais du Heysel. Many of the Southern participants remained in Brussels to take part in those discussions with MEPs and members from environmental, consumers’, farmers’, church and development organisations. Press releases were forwarded to the official negotiating table. EECOD, meanwhile, had organised an Ecumenical forum on GATT on 6 December 1990, with the accompanying document ‘What Option for the Poor? Reflections on Agriculture and the Third World in the Uruguay Round’.¹¹ GRESEA followed up these efforts with an NGDO

seminar in Brussels in September 1991, organised primarily by Myriam Vander Stichele, which issued the document 'Issues left out by the Uruguay Round: Environment, Social Rights and Democracy'.¹²

Throughout 1990 and 1991 European NGO activities on the GATT were wide and varied. The Steering Committee published information updates and issued press releases on the GATT negotiations, it sent a steady stream of information to members of the Commission and its GATT negotiating team. In 1991 EECOD wrote a 10 page letter to GATT Director General, Arthur Dunkel. They also commissioned a paper on democracy and the GATT and flew in representatives from the South for meetings with MEPs in Brussels and the Community GATT negotiating team in Geneva. For their part, ICDA closely monitored the GATT negotiations, producing regular 'updates' on them, and in November 1991 they held a two-day 'Conference and Training Days on International Trade' in Brussels.

Much of the work was being undertaken by individual NGOs, in particular, EUROSTEP's NOVIB in the Netherlands; their Oxfam and APRODEV's Christian Aid in the UK. In 1991, for instance, NOVIB, EUROSTEP's lead agency on trade, published booklets, organised trade conferences and lobbied the Dutch Parliament on the Uruguay Round. They also attended a meeting in Penang organised by the Third World Network. Meanwhile Christian Aid UK organised trade campaigns and produced both training and campaigning materials. Together with Oxfam, Action Aid, the CIR and the World Development Movement, these five NGOS began to forge a UK trade network.

In September 1991 the Steering Committee Executive was set up, comprising one representative each from the Liaison Committee, EUROSTEP, APRODEV and EURO-CIDSE (who between them provided the funding), together with a representative each from ICDA and EECOD.¹³ The first meeting set the immediate agenda for the new Secretariat. It was considered a priority to build alliances 'nationally and at the European level with other organisations such as labour unions', and to have 'national contact points responsible per country for making contacts with the other organisations'.¹⁴ John Denham, the new part-time policy officer was to develop proposals for lobbying activities around the closing stages of the Uruguay Round—which subjects to be broached, which members and networks to be mobilised, and which institutions to target.¹⁵

By the end of 1992, in the continued expectation of the conclusion of the Uruguay Round, the NGOs turned their attention to the proposed post-GATT system of rules. On the 16th and 17th of November 1992 ICDA organised, together with EECOD and Germanwatch, an International NGO Conference on the Multilateral Trading Organisation (MTO) in Hamburg.¹⁶ The Conference was preceded by a common declaration, signed by over 150 organisations and used as a press release, entitled 'The US-EC Talks on the Uruguay Round: Developing Countries Suffer from the Democratic Deficit'. On 26 and 27 November ICDA also organised a 'Conference on Trade and People' in Brussels.

In January 1993 the NGO-GATT Steering Committee was reformed into the 'Centre for European Networking on Trade', serviced one-day per week by Myriam Vander Stichele on a two year contract. It has gradually evolved into an information-sharing body and forum for debate, leaving campaigning activities in the main to the member agencies.

The Liaison Committee

The Liaison Committee began work on the GATT at an early stage. In October 1987 it met with Frans Andriessen, the EC Vice President with special responsibilities for External Relations and Trade Policy, to discuss Community positions. Early in 1988 the Food Matters Working Group (FMWG) prepared a document on the GATT agricultural talks and their implications for developing countries which served as a discussion document for NGOs North and South.¹⁷ In November 1989 the Liaison Committee met Mr MacSharry, the Commissioner responsible for Agriculture, who had considerable influence on the Community's position on GATT. In May 1990 it published 'Towards an NGO Position on the Uruguay Round' (a Steering Committee statement on GATT), which expressed concerns on agricultural services, investment, intellectual property rights, manufactured goods and environmental degradation caused by trading activities. The Liaison Committee then presented this document to Commissioner Andriessen, to the relevant Ministers in the 12 member states, to the negotiators in Geneva and to MEPs.

At the 1990 Liaison Committee General Assembly the 69 countries of the Africa, Caribbean and Pacific (ACP) group were invited along to point out the threat the GATT posed to ACP preferences. Clive Robinson, Chairperson of the FMWG, put the GATT negotiations among the group's 'main concerns' and invited participants to attend the meeting of the Steering Committee immediately after the General Assembly.¹⁸ The 1992 General Assembly adopted a recommendation calling upon the Commission to change direction on the patenting of life forms, and on the European Parliament to vote against the Commission draft directive on Trade Related Intellectual Property Rights (TRIPS).¹⁹

However, at no time did the GATT become the theme for a General Assembly and at no time was it the main activity of the Liaison Committee. Guido Dumon, President of the Liaison Committee, explained: 'I think there was no coordinated or direct input from the Liaison Committee ... We don't have the capacity on the Liaison Committee to do it'.²⁰ As such, the main responsibility for carrying the campaign forward remained with the Steering Committee.

Results of the NGDO campaign on the GATT

In September 1991 Myriam Vander Stichele warned: 'developing countries have been more and more put in the difficult position of having to accept that they will gain little in areas of their interest (such as market access and agriculture) while the major trading countries have decisive powers and force important new agreements in areas such as services and intellectual property rights in which they are most competitive'.²¹ One year later, at the Labour Conference on Europe in November 1992, Dianna Melrose, Public Policy Director of Oxfam, stated: 'Our call was that the EC should show real leadership in GATT in trying to promote the interests of developing countries'. She continued: 'That today seems like a sick joke'.²² The singular failure of the GATT to take on board Third

World interests was also outlined by Guido Dumon in his opening speech to the 1993 Liaison Committee General Assembly: 'today the richest 20% of the world's population controls 150 times more resources than the poorest 20%. Obviously the terms of international trade are a major cause for this: in trading relations the rules of the game are laid down by the richest and most powerful countries. And in this field we expect few improvements in the short term. Indeed, we are facing nationalist self-defence reflexes by the Western countries, leading to protectionist measures safeguarding industrialized countries' markets'.²³

The 1995 CIIR study found 'Most respondents ... regard the GATT campaign as a failure, although very slightly qualified by some. It has exposed fissures in NGO approaches to the broader issues of international trade and suffered from poor information, lack of credibility with the target audience, poor public support and few tangible campaigning points'.²⁴ It continued: 'With objectives unclear and modifying all the time, it is very difficult to assess what impact the NGO campaign had'. It could point to only 'modest' successes 'around the view that there would be short-terms losers' and that 'in this case some modifications to the final act were achieved'.²⁵

Similarly, key actors from the NGOs and the NGO networks interviewed for this study were of the opinion that their lobbying on GATT had not been very successful. Simon Stocker, Chair of the Steering Committee reflected: 'The NGO perspective on trade in the GATT has a marginal influence on what's going on',²⁶ while Peter Madden, International Officer for Christian Aid, explained: 'We get a long letter back from one of Dunkel's aides, or whatever in the Commission. Why we don't get what we want is obvious in the sense that we're one pressure group, and there's lots of other interests to be taken into account and generally they're more important and more weighty. Occasionally they insert something like the food-security clause, which I suppose some areas of the agri-business world wouldn't have been too happy with—but it's not an outrageous clause—you know give us things to keep us quiet and happy occasionally'.²⁷

This view was also predominant amongst Commission officials—as Eckhart Guth (DGI: Conseil Principal with Responsibility for the overall agricultural aspects of the GATT negotiations) explained: 'I deal mainly with the agriculture negotiations of the GATT and I must say it doesn't come very quickly to my mind where I could say that an NGO has had a considerable impact on the negotiations'.²⁸ Observable results would tend to bear out these assertions, as the following examples show.

Democracy and accountability

(i) The NGOs called for the negotiations to be made more democratic, accountable and transparent: 'people's interests must be guaranteed by the introduction of advisory councils drawn from organisations of rural and urban workers, small producers, consumers, women, indigenous and minority peoples, environmentalists and NGOs'.²⁹ These issues were never adequately addressed, they continued to cause friction between the NGOs and Commission officials throughout.

(ii) On the MTO they believed 'A new international trade organisation should be established only after full debate at national level and within the UN framework'.³⁰ They were to receive no such guarantees.

Impact assessment

(iii) The NGOs pointed to the Punta Del Este Declaration which emphasised the need to look at trade through a development perspective. They called for an impact assessment of the GATT on developing countries and for compensation for those developing countries deemed to be net losers. The Community negotiators showed little interest in making such an assessment, believing it would come once the agreement was in place and that it should be done by the developing countries themselves. Compensation was never on the agenda.³¹

Traditional battlegrounds

(iv) The NGOs called for over-production and export dumping of farm products from the North to be eliminated by the abolition of all direct and indirect subsidies to Northern farmers.³² They also called for compensation for those developing countries suffering increased global prices because of any such cuts in subsidies. While large scale cuts in subsidies in the North were agreed, the EU continues to compensate arable farmers for cuts in support prices under the Common Agricultural Policy (CAP) reforms. The USA does likewise with its farm support payments, export subsidies in all but name. Compensation to Least Developed Countries for increased market prices never made the agenda.³³

(v) On Northern protectionism the NGOs called for the Multi-Fibre Arrangement to be phased out within a maximum of seven years, with no conditions placed on developing countries. The USA called for a 15-year phase-out. The compromise of a 10-year phase-out, by increasing and eliminating all quotas in four stages, with about 50% in the last (tariffs to remain high, at about 12%),³⁴ was hardly a major concession on the part of the industrialised North, and made a mockery of the professed free-trade principles of the GATT.

The new themes

(vi) On TRIPS the NGOs felt that any GATT rules should be 'limited to trade distortions such as counterfeit goods', that 'any extension of IPRs to life forms would reduce genetic diversity and threaten food security and must be prohibited'.³⁵ The agreement requires countries to accept existing conventions. It extends them, and allows use of the World Trade Organization enforcement mechanisms. The end result is increased revenue for the industrialised countries, as developing countries, being net importers of technology, foot the bill.³⁶

The social consequences may be far-reaching. On 5 April 1994 100 000 demonstrators marched through Delhi amid violent clashes with police in protest at the effects of the GATT on India's agrarian economy. In particular they were incensed about the powers the GATT had given to the multinational seed merchants—enabling them to enforce copyright on scientifically improved seeds,

which in theory means that farmers will no longer be able to gather seeds from these crops, but will have to buy seeds annually from the seed companies.³⁷ In some cases the GATT will also require payment for the use of pharmaceutical formulae—both measures will impact disproportionately on the poorest. It will threaten food security and reduce genetic diversity. This raised questions about national sovereignty, as under the Indian Patents Act of 1970, inventions relating to agricultural or horticultural processes were not patentable. The GATT now obliged India to fall into line on patents or suffer retaliatory trade measures.³⁸

(vii) On Trade-Related Investment Measures (TRIMS), the NGOs declared: 'The people of developing countries must retain their rights to develop their own service and manufacturing sectors in accordance with their development objectives. They must keep their rights to regulate investment and the behaviour of TNCS.'³⁹ The Industrialised Countries wanted to limit the use of TRIMS severely, and have done so. The Least Developed Countries have seven years to phase them out, other developing countries five.

In broad conclusion a Christian Aid report on December 1993 warned that many of the world's poorest countries would be made even poorer by the Uruguay Round. It identified four overlapping groups of countries which would be net losers from the GATT: net food importers; countries currently benefiting from the Lomé and other trade preferences; those relying heavily on the export of coffee and cocoa; and those lacking the capital, knowledge and technology to take advantage of the new trading opportunities.⁴⁰ It concluded that as a consequence 'Overall the Round will worsen the terms on which most poor primary commodity producing countries trade with the rest of the world'. Indeed, the report estimated that African countries stood to lose nearly £2000m a year by the year 2002 from the changes. Yet one more burden to add to recession, Third World debt and structural adjustment programmes.⁴¹

The NGO—GATT Steering Committee: an assessment

This study found almost universal agreement that NGDO campaigns around the GATT Uruguay Round had failed to either secure gains for the developing countries with regard to the traditional battlegrounds or protectionism, subsidies, dumping and Northern control over commodity pricing, or to defend their interests with regard to the 'new themes' of Trade in Services, TRIPS and TRIMS. If the NGDO community is to learn from this process, if those NGOs involved with the Centre for European Networking on Trade are to have greater success in the future, they must be prepared to make an honest and clear assessment of its activities around the GATT, of the deficiencies, both in terms of resourcing and in terms of strategies.

NGO efforts were too little and too late

Too late in that both NGO and Commission actors believe that by the time the NGOs became active on GATT most of the agenda had already been sewn up. The completion of the Uruguay Round negotiations was originally scheduled for December 1990, at which time the NGO campaign has barely got off the ground.

The CIIR study found ‘Dialogue with GATT and national governments proved extremely difficult for NGOs. It was hard to get reasonable information, NGOs had no history of dialogue and credibility suffered as a result.’⁴² The NGOs were continuously reacting to events—and reacting to them at a very late stage. The timing of the November 1992 Hamburg MTO conference is a case in point—as the minutes of the conference point out: ‘NGOs have until the end of February to campaign to have the MTO out of the Uruguay Round. It is too late now to lobby governments, which have already their position; it is better to lobby the parliamentarians at this stage.’⁴³

Too little in that from the outset the Steering Committee had a limited capacity for action.⁴⁴ The CIIR study found a widespread view among NGO participants and some outsiders that the campaign was ‘under resourced in terms of research and lobbying capacity’.⁴⁵

Demarcation considerations

To set up a centralised, well-staffed structure was not only potentially expensive, it would also have caused demarcation problems. ICDA had already applied for Commission funding with a remit along similar lines. As Simon Stocker explained: ‘So the consequence of that was again a rethink within the Steering Committee and a decision that it maybe was too ambitious anyway and that therefore what one was looking for was something much less ambitious, essentially providing a forum which would allow a focus for activities around trade, not just on GATT … It was estimated that maybe a day a week would be required.’⁴⁶

According to Peter Madden it wasn’t merely a case of funding but of Empire building by individual NGOs, in that NOVIB wanted to make a success of EUROSTEP (their new Brussels-based network) who were also working on trade: ‘And this was problematic because we had a thematic network and pulling against it were first of all EUROSTEP—who had most of the good trade people in it already, trying to build their power base, and ICDA, also working on trade, trying to build their own power base as well—and the thing was pulled in three directions and effectively fell apart for a year at a vital period, which was a real shame’.⁴⁷

Democratic to a fault

The question of individual agency autonomy was also an important factor. Committee minutes of a Steering Committee meeting held in November 1991 state it was agreed ‘that the principle of consensus decision-making meant that the network could not presume to speak for participating NGOs without their *express support on the particular issue*’.⁴⁸ Such a democratic approach may well be laudable, but as individual agencies retained their hallowed independence they negated two of the essential benefits of having a network at all—the capacity to go to the Commission with one voice and the capacity to react quickly to events occurring in Brussels.

The folly of depending on one person with little back-up became clear when in April 1992, at a crucial period of the GATT negotiations, John Denham left to

become a UK Member of Parliament. Links were broken and the agencies were not kept informed of developments.⁴⁹ On 8 September 1992 Peter Madden faxed a message to Simon Stocker and Martyn Bax (Director of APRODEV): 'It is a terrible shame that things seem to have broken down for so long. Just as there are opportunities for pan-European lobbying on trade related areas (bananas, sugar, the MTO etc) things seem to have fallen apart. Duplicate networks are springing up and (are) of necessity re-inventing the wheel.' He continued: 'The first priority must be at least to ensure we start meeting again on a regular basis ... only yesterday people were complaining at an inter-agency meeting that we did not know what is going on'.⁵⁰ It should also be borne in mind that all those involved with the Steering Committee had their own organisations to run. Myriam Vander Stichele, for instance, spent much of 1991 at ICDA making preparations for, and defining NGO positions on, the forthcoming UNCTAD VIII negotiations in Colombia in February 1992.

A question of priorities

From December 1990 onwards the NGOs felt the end of the Uruguay Round was imminent. As such, lobbying in the immediate future was never the priority strategy.⁵¹ Much of Policy Officer John Denham's time was employed with the project proposal for a future Coordination Centre on Trade Issues—the vehicle by which trade networking would continue, rather than working on the actual Uruguay Round itself. His ability to lobby the Commission was not helped by the fact that he was working out of Southampton, not Brussels.

The minutes of a Steering Committee meeting held in January 1991 state: 'it was recognised that NGO lobbying on the GATT (had) a limited impact and that by its nature this type of work would be long-term and difficult ... It was suggested that this longer-term agenda was more important than responding to immediate events'.⁵² Committee Minutes for November 1991 read: 'In general it was accepted that network staff would need to maintain links with official and other NGO networks. However, their primary role would be to facilitate contacts between NGOs and these organisations, rather than to take the lead in lobbying'. At that meeting John Denham introduced his paper on networking and stressed 'that a long-term perspective of 5–10 years work was essential if NGOs were to make any serious impact'. It was noted, however, that others felt 'it could weaken the impact of lobbying at a European level and make it difficult to establish the network as a serious and professional organisation with decision-makers and the media'.⁵³ This was indeed to prove the case!

Failure to lobby/target adequately

The process of decision on the GATT was complex. Because the Commission had sole responsibility to negotiate it held the key role. Within the Commission a permanent inter-service structure was established in which nearly all the Directorates were represented. The most important Directorates for developing countries were Trade, Agriculture and Environment, though other Directorates could also have an influence on the negotiations. Meetings took place between

Directorates, from junior official all the way up to Head of Unit. Negotiating briefs could emanate at any time from a plethora of Sections within the Directorates, a plethora of individuals.

Most Commission officials interviewed emphasised that the Commission was open to new ideas and that contacting the relevant officials was a relatively simple matter. According to Garcia Bercero (DG1/A/1: Political, Commercial, Multilateral, GATT and the Environment, who had been involved for five years in the EC negotiations in GATT on trade and the environment): 'Once you have been here for a while you immediately know which are the persons which are dealing with the different dossiers—you have the telephone numbers of the people you need to contact'.⁵⁴

Once the Commission had forged its positions they were then presented to the permanent representatives of the member states in the 113 Committee which met weekly in Brussels, with coordinating meetings in Montreal, Geneva, etc in the margins of the negotiations. With a policy community so diffuse those wishing to influence the decision-making, particularly those groups with limited resources, would have to target their activities with precision. The Steering Committee failed to do this. While they did meet members of the Commission dealing with GATT, according to Simon Stocker they lacked a detailed analysis of whom to target and when: 'I don't know that we've ever gone into that detail to be honest', and for that reason, 'The level of debate with the Commission from the NGOs is actually quite minimal, it's not been particularly great'.⁵⁵ Hardly surprising, then, that most of the Commission officials interviewed for this study revealed that they had had little actual contact with the Steering Committee.⁵⁶

The nature of the beast

Several interviewees, however, felt that the GATT was simply too big and too complex an issue for the NGOs to deal with. Simon Stocker explained: 'To start with the issues on GATT are incredibly complex and although one can look at individual aspects of the GATT and how that works—whether it's a good thing or a bad thing that's been proposed, the problem is that the negotiation isn't just about specifics. It's an integrated package, and therefore in the end one is going to have to respond and make a general evaluation as to the positive or negative nature of the overall package and I don't think that the majority of NGOs are really equipped to do that particularly well'.⁵⁷ For his part John Denham explained to a meeting of the Steering Committee that 'After consultation with a number of NGOs it has become apparent that a macro-economic assessment of the Round was beyond the capacity of NGOs for both technical and resource reasons'.⁵⁸

Over-simplicity

The CIIR study points to the fact that 'The Commission, the (GATT) Secretariat and NGOs themselves did not regard NGO campaigners as well informed or well researched in comparison with the Environment lobby'. Several researchers felt that 'empirical information about the impact of trade policies on the world's

poorest people was not used as effectively as it might have been', and that the NGOs adopted a Luddite stance, their main aim being 'to preserve the status quo', opposing change 'because it might hurt someone'.⁵⁹

Those members of the Commission negotiating teams interviewed for this survey criticised the NGOs for over-simplistic arguments, pushing for unwinable, unrealistic goals; for their inability to grasp the reality of world affairs and their tendency to make their lives easier by concentrating only on issues which tended to fit into their overall concept. They accused NGO representatives of arguing primarily on a morally sound basis while the EC negotiators were having to thrash out deals with the USA. Peter Horrocks (Energy Policy Unit DGXVII, attached to the GATT Commission DGI Negotiating Team in Geneva), explained: 'I think the NGOs tended to lobby on a broader, more philosophical basis. If they were more specific I think that might have been a little more difficult for them because they can't afford to be accused of being partisan. So they always tended to be general.'⁶⁰

Lack of a unified position

A major weakness of the GATT lobby was the lack of a unified LDC position in the negotiations.⁶¹ Similarly, there were differences between Northern NGOs on the GATT. Achieving Euro-wide unanimity on objectives and how to achieve them was very difficult. The CIIR study points in particular to the 'major fissures' appearing between those NGOs who 'found negotiation and compromise unacceptable in the context of world trade imbalances' and those who 'considered that developing countries would be better off under a rule-based system'.⁶²

Certainly the Commission perception was of division. Peter Pooley, Deputy Director General DGVIII, noted 'I think the NGOs themselves had a certain amount of difficulty making up their minds over whether lower tariffs are a good thing or a bad thing, because equally they have a spread of interests—if they're in Asia and Latin America as well as in Africa, it's very difficult to decide precisely what stance to take'.⁶³

Representation—South and North

Several Commission interviewees questioned the representatives of the Northern NGOS. According to Peter Horrocks: 'One was never very clear whether the NGOs and the Developing countries were on the same wavelength. I mean the NGOs may be saying that something is good for the LDCs but it wasn't necessarily reflected by the developing countries'.⁶⁴ Simon Stocker accepted this point: 'There are certainly differences of opinion. The tendency seems to be that in the Southern countries there's a much greater rejectionist position on the GATT, in Europe there is a much greater willingness, again, it's not universal, but I think there is a much greater willingness to say well a deal is in the best interest of everybody as long as it's a good deal'.⁶⁵ Similarly, both NGOs campaigning around the GATT and European Commission officials felt that the former could make little headway on trade issues without first mobilising Northern public opinion.⁶⁶ However, according to the CIIR study because of 'the complexity of

the issues' and 'the difficulty in establishing campaigning positions' GATT work focused in the main on discussions with officials and policy makers. The study reports both NGOs and receivers as citing this as 'a critical omission'.⁶⁷

Linked to this failure to mobilise public opinion, and a direct result of the limited resources available was the failure to forge alliances with developing country diplomatic staff, business groups, trade unions, and consumer groups in the North.

Weight of the business/farming lobby

The NGOs were lined up against powerful, entrenched and in many ways incorporated interests. TNCS and peak associations such as the Organisation of EC Business and Employers, UNICE and the Association of European Chambers of Commerce and Industry, had institutional links to both member state governments and the Commission. Farmers' organisations were equally attentive. At the 1993 Liaison Committee General Assembly Lucio Guerrato, Chief of Unit 'Forecasting and Sectorial Policies' DG VIII, elucidated: 'Before the next round all you need is 500-600 farmers demonstrating in France and fishermen demonstrating in the UK and look, you'll see the negotiations are going to become more difficult. You need to work not just with fine feelings, you have to deal with national selfishness.'⁶⁸ Every Commission official and every member of the NGO lobby interviewed cited this as a most important factor. Questions of employment and questions of Community interests were predominant. As Peter Horrocks explained: 'If you said to member states or a Commissioner that 300-400 jobs would be lost in A, B, C, D, then it has more of an impact than say a global policy issue'.⁶⁹

Too aggressive an approach

Several of the Commission officials interviewed considered themselves 'honest-brokers' between the USA and developing countries. They were quick to point out that many of the compromises made in the GATT were formed around Community positions.⁷⁰ Some emphasised that they only expected concessions from the more developed of the developing countries—Korea, Malaysia, Indonesia, Mexico, Argentina and Brazil; that the LDCs would be covered by broad exemptions. They pointed to the fact that the Commission had co-financed the Heysel 'Shadow Conference' and various information seminars and publications of the NGO—GATT lobby. As such most felt the Steering Committee had been unjustly critical of Commission positions, several that their manner was unnecessarily aggressive. Peter Madden observed those tendencies among the NGO lobby: 'At the European level there will be a mixture of lobbying... often writing these long letters which have been signed by thousands of agencies—which I think have been very ineffective, partly because of the language adopted... I think they tend to be very aggressive and that's not what's needed. There's a diplomacy necessary in these letters to get people to take you seriously—they might listen to what you're saying, but if you're rude to them in the first paragraph then it's not always very helpful!'⁷¹

Intransigence of the Community negotiators

On reflection, however, the sometimes conflictual nature of the NGO approach is hardly surprising. DGI (External Relations) and DGVI (Agriculture) were the Directorates with power over the negotiations, which left the NGDOs somewhat stranded—the clientalism with the ACP countries and the NGDOs enjoyed with DGVIII (Development) did not exist with DGs I of VI.⁷² DGVIII did have a say in the late 1980s in the formulation stages of the Community positions, but as previously mentioned, at that time the NGDOs weren't really active on the GATT. Once the positions were settled DGVIII had little influence.⁷³ Similarly parliamentary avenues for direct influence were very limited. In a GRESEA report in 1991 Myriam Vander Stichele complained ‘So far, MPS have had little possibility to influence negotiations because there is no direct link between debates in parliament and the negotiation table. They are often confronted with a “fait accompli” or excuses that “trade negotiation partners did not agree”.’⁷⁴

Further, the CIIR study found the Commission to be both ‘often extremely hostile when criticised’ and inconsistent—‘putting out mixed messages’ saying ‘that the only basis for discussion was free trade while arguing for the retention of EU subsidies and protectionism’.⁷⁵ Many of the NGO criticisms would appear to have been perfectly valid. The negotiations were without doubt lacking in transparency, major decisions being taken in secretive ‘green room consultations’ where the industrial nations were disproportionately represented, indeed, often the only ones represented. Text were usually based on agreements reached between the four major trading powers: the EC, USA, Japan and Canada. For the final two years of the agreement everything depended on bilateral negotiations on agriculture between the EC and the USA—these overshadowed all else.

By and large it was difficult for citizens, civil organisations or the elected parliamentarians of contracting countries to obtain an insight into negotiations, let alone influence them. It was difficult for NGDOs to have input when the developing countries themselves were excluded from the decision-making process most of the time. While some Commission interviewees argued that negotiations were open, that those developing countries failing to take a full and active part did so out of choice,⁷⁶ Peter Pooley was, on the contrary, quite happy to admit that negotiations were anything but transparent: ‘I’ve spent most of my career in this sort of negotiation. I’ve spent a lot of time in agriculture in particular and it’s fruitless to pretend that the world can operate on the basis of negotiations carried out on an entirely transparent and democratic basis. You’d never get to the end of negotiations. That’s just not realistic.’⁷⁷

When interviewed for this study most of the officials at the Commission showed scant regard for the effects of the settlement on developing country economies. There was a dogmatic adherence to neoliberal prescriptions, the belief that everyone would gain from the freeing up of markets and that, in any case, living or dying by market forces was the price for the full entry of developing countries into the world trading system. Those who did accept that there would be winners and losers accepted no obligation to assist the latter—traditional colonial responsibilities and notions of solidarity with the poorest countries were considered outmoded and counter-productive in the long term.⁷⁸

The general view was summed up by Carlos Liebana (DGVIII/1/4: Chief of Unit, Politique Commerciale and Chief Adviser on GATT at DGVIII): ‘Development aspects of the activities of the Community only have a marginal importance in the overall thinking of the position of the Community ... We must not forget that people are essentially negotiating a GATT agreement, and that the Community itself has a position in these GATT negotiations. We cannot be anti-Community inside the Community—we can present points of view but we have to take into account that the Commission’s position is essentially to serve the interests of the Community—in this framework we have to move.’⁷⁹

Conclusion

In 1990 Chakravarthi Raghaven wrote: ‘Thanks to [the] basic unity of the North against the South, and the aggressive neo-mercantilist policies of the major industrial countries, on the whole developing countries are now worse off in the Uruguay Round than when it was launched’. He went on to warn: ‘If there is no high-level political effort in the South to confront and reverse these tendencies, the possibility has to be faced that the dominant industrialised countries would succeed in putting in place a New International Economic Order more unjust and more inequitable to the peoples of the South than even the present order’.⁸⁰ In many ways his worst fears, and those of other Southern commentators and many of those in the Northern NGDO community, were to be realised. The industrialised countries steam-rollered through their own agendas, agendas which the Northern NGDO community, for all their efforts, appeared powerless to change.

To an extent the failure of the NGDO community to obtain anything other than peripheral concessions stems from the fact that at the start of the decade, when the NGOS first began to make their presence felt over the GATT, the Member States’, and therefore the Community, position was more or less fixed. With attitudes at the Commission so entrenched and intransigent it is hardly surprising that the Steering Committee became, at times, aggressive in its approach.

Given these circumstances the ultimate weakness of the Steering Committee was its failure to rapidly mobilise public opinion on the issues. As we have seen, the NGO–GATT lobby did not have the resources (or at least was not willing to commit sufficient resources), the technical knowledge or the confidence to mount a widespread public information campaign. They opted instead to work towards long-term objectives and the creation of a future Euro-wide trade network. As such, where direct lobbying was undertaken, not only was it insufficient, it also lacked public support, perhaps the only factor which by that time could have made the European negotiators take a more pro-developing country stance.

In the wake of the Uruguay Round, NGDOS both North and South continue to take a keen interest in the terms of world trade. While the campaigns around the GATT were limited in scale and far from fruitful they nonetheless provided a learning experience for the NGDO community. As the detrimental effects of the GATT Round are felt in the developing world, a growing number of Northern NGDOS may well realise the futility of focusing the bulk of their resources on

small-scale project work. It is to be hoped that they will re-orient their activities accordingly.

Notes

- ¹ Overseas Development Institute (odi), 'Developing countries in the wto', Briefing Paper; May 1995, p 1.
- ² By the late 1980s about one-fifth of OECD imports were affected by non-tariff barriers, particularly in clothing, textiles, footwear, food and iron/steel sectors. odi, 'The GATT Uruguay Round', Briefing Paper; November 1987, p 2.
- ³ odi, 'Developing Countries in the wto', p 1.
- ⁴ The EC was 'a focus for particular attack' because of its wide use of export subsidies. Between 1973 and 1983 the EC's agricultural exports increased by 42% in real terms. *Ibid*, p 3.
- ⁵ See Chakravarthi Raghvan: *Recolonisation: Gatt, the Uruguay Round and the Third World*, London: Zed Books and Third World Network, 1990, pp 32-46.
- ⁶ The USA lobbied 'intensively' for services to be included in the GATT. While the EC position was 'less aggressive', nonetheless there was 'a desire to gain access to Third World markets for Europe's competitive financial-services industries'. odi, 'The GATT Uruguay Round'; pp 3-4.
- ⁷ See Kevin Watkins: 'Fixing the rules: North-South issues in international trade and the GATT Uruguay Round', *CIIR*, 1992, p 39.
- ⁸ Raghvan, *Recolonisation*, p 32.
- ⁹ See Judith Randel, *NGO Campaigning on Trade Issues: Perspectives from Europe*, Development Initiatives for Christian Aid and CIIR, January 1995, p 5.
- ¹⁰ 'A people's GATT for world development', Brussels: ICDA December 1990; 'Bringing GATT out of the shadows; sectoral statements of the International Conference of Civil Associations for Development, NGO-GATT Steering Committee, December 1990.
- ¹¹ EECOD, Brussels, 1990.
- ¹² GRESEA 'Issues left out of the Uruguay Round: environment, social rights and Democracy' Brussels; GRESEA, September 1991.
- ¹³ The cost to the Liaison Committee as £2500 pa with the other three networks providing £3500 each.
- ¹⁴ Minutes of NGO-GATT Steering Committee 17 September 1991.
- ¹⁵ *Ibid*.
- ¹⁶ The proposed MTO would eventually take the form of the World Trade Organisation (wto).
- ¹⁷ Activities Report of the Liaison Committee General Assembly 1988, p 6; and Final Report of the Fourteenth General Assembly of the Liaison Committee, April 1988 (NGO/GA/88/2), Brussels, 1988.
- ¹⁸ Final Report of the Sixteenth General Assembly of NGDS, April 1990 (Inaugural Session) Brussels: Liaison Committee, 1990, pp 4, 7.
- ¹⁹ Final Report of the Eighteenth General Assembly of NGDS April 1992, Brussels: Liaison Committee, 1992, pp 14, 34.
- ²⁰ Personal interview with Guido Dumon, President of the Liaison Committee of NGDS to the European Communities. The shortage of staff and resources is a major constraint to the activities of the Brussels-based NGDO networks. The Liaison Committee Secretariat remains grossly under-staffed and under-resourced.
- ²¹ Editorial *ICDA Update*, 5, September/October 1991.
- ²² Personal notes of speech by Dianna Melrose (Public Policy Director, Oxfam) at the Labour Conference on Europe: Workshop in Trade Unions and European Institutions, Brighton, November 1992.
- ²³ Final Report of the Nineteenth General Assembly of NGDS April 1993; Brussels: Liaison Committee, 1993, p 2.
- ²⁴ Randel, *NGO Campaigning on Trade Issues*, p 7.
- ²⁵ *Ibid*, p 38.
- ²⁶ Personal interview.
- ²⁷ Personal interview.
- ²⁸ Personal interview.
- ²⁹ 'A people's GATT for world development'.
- ³⁰ *Ibid*. See also *ICDA Update*, 6, November/December 1991, pp 1, 3-7.
- ³¹ Personal interviews with Carlos Liebana and Peter Horrocks, (Energy Policy Unit DGX II. Attached to the GATT Commission DGI Negotiating Team in Geneva) The GATT Agreement itself does not include a mechanism for compensation as the World Trade Organisation has no funds to offer. Instead it will calculate any losses for low income, food importing countries and make a recommendation to international donors. The international financial institutions have already said that they cannot make extra funds available. See odi, 'Developing Countries in the wto', p 3.

³² ‘A people’s GATT for world development’.

³³ Peter Madden & John Madely: *Winners and Losers: The Impact of the GATT Uruguay Round on Developing Countries*, London: Christian Aid, December 1993, p 9. See also Peter Madden, *The Poor Get Poorer: The Impact of the GATT Uruguay Round on Developing Countries*, London: Christian Aid, April 1994, p 2.

³⁴ ODI, ‘Developing countries in the WTO’, p 2.

³⁵ ‘A people’s GATT for world development’.

³⁶ ODI, ‘Developing countries in the WTO’, p 3.

³⁷ *Guardian*, 11 March 1994, p 16; *Guardian* 6 April 1994, p 12.

³⁸ Madden & Madely, *Winners and Losers*, p 17.

³⁹ ‘A people’s GATT for world development’.

⁴⁰ Madden & Madley, *Winners and Losers*, pp 2, 22. Certainly, for most developing countries, losses will come before any gains. See also ODI, ‘Developing countries in the WTO’, p 2, Table 1.

⁴¹ Madden & Madley, *Winners and Losers*, p 3.

⁴² Randel, *NGO Campaigning on Trade Issues*, p 38.

⁴³ Minutes of the International NGO Seminar on the WTO in Hamburg, 16–17 November 1992, p 12.

⁴⁴ The CIIR study came to the conclusion that ‘Despite what some receivers have described as “very expert individuals”, it is unrealistic to expect to be able to use such limited resources to challenge institutions like GATT on their own home territory’. Randel, *NGO Campaigning on Trade Issues*, p 7. It is difficult to come to any other conclusion when one considers that the Steering Committee was running on around £13 000 per annum.

⁴⁵ Ibid, p 39. Simon Stocker tended to agree.

⁴⁶ Personal interview with Simon Stocker.

⁴⁷ Personal interview with Peter Madden.

⁴⁸ Minutes of the NGO-GATT Steering Committee meeting, 14 November 1991 (emphasis added).

⁴⁹ Personal interviews with Simon Stocker and Myriam Vander Stichele.

⁵⁰ Fax, internal Steering Committee files.

⁵¹ Personal interviews with Peter Madden and Simon Stocker. See also Randel, *NGO Campaigning on Trade Issues*, p 38.

⁵² Minutes of the NGO-GATT Steering Committee meeting, 9 January 1991.

⁵³ Minutes of the NGO-GATT Steering Committee meeting, 14 November 1991.

⁵⁴ Personal interview.

⁵⁵ Personal interview with Simon Stocker, confirmed by Peter Madden.

⁵⁶ Personal interviews with Jacques Dugimont, Peter Pooley, Eckhart Guth and Carlos Liebana.

⁵⁷ Personal interview with Simon Stocker.

⁵⁸ Minutes of the NGO-GATT Steering Committee meeting, 9 January 1991.

⁵⁹ Randel, *NGO Campaigning on Trade Issues*, pp 40–41. This was a view also expressed to varying degrees by Commission officials (personal interviews).

⁶⁰ Personal interview.

⁶¹ See Raghvan, *Recolonisation*, pp 75–76, 294.

⁶² Randel, *NGO Campaigning on Trade Issues*, p 37.

⁶³ Personal interview with Peter Pooley.

⁶⁴ Personal interview with Peter Horrocks.

⁶⁵ Personal interview. These differences were also perceived by Peter Madden.

⁶⁶ Personal interviews with Carlos Liebana, Garcia Bercero and Peter Pooley. See also Randel, *NGO Campaigning on Trade Issues*, p 14.

⁶⁷ Ibid, p 38. Simon Stocker, Guido Dumon and Peter Madden agreed.

⁶⁸ Lucio Guerrato, Chief of Unit ‘Forecasting and Sector Policies’ DG VIII/A/1, Workshop on Poverty 15 April 1993, Liaison Committee General Assembly, Brussels, 1993 (personal notes).

⁶⁹ Personal interview.

⁷⁰ Personal interviews with Garcia Bercero, Peter Horrocks, Carlow Liebana and Alva Granda, (DG VIII/B/2, Head of Development, Education and Public Policy).

⁷¹ Personal interview. Myriam Vander Stichele accepted the point, explaining: ‘I still don’t think that we are really being listened to. Environment NGOs are more being listened to. It’s much more difficult for us. That I think is sometimes why I take kind of a sharp tone, which is not well received.’ (Personal Interview).

⁷² Personal interviews with Myriam Vander Stichele, Guido Dumon and Simon Stocker.

⁷³ Personal interviews with Carlos Liebana, Peter Pooley and Guido Dumon.

⁷⁴ ‘Issues left of the Uruguay Round’, p 19.

⁷⁵ Randel, *NGO Campaigning on Trade Issues*, p 40.

⁷⁶ Personal Interviews with Carlos Liebana and Garcia Bercero.

⁷⁷ Personal interview with Peter Pooley.

⁷⁸ Personal interviews with Peter Pooley, Eckhart Gurth and Carlos Liebana.

⁷⁹ Personal interview with Carlos Liebana.

⁸⁰ Raghvan, *Recolonisation*, p 294.

