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DRAFT: Comments Welcome

PRINCIPLES OF

A JUST FOREIGN POLICY

The following principles derive from the experiences of many of the non-governmental organizations active in the negotiations for the Earth Summit. They can be used as a means of evaluating foreign policy proposals and devising just international instruments and institutions.

Principles:

Multilateralism

democracy

transparency

representation

equity

subsidiarity

decentralization

diversity

accountability

For any foreign policy problem, the key is the design of an institutional relationship between the parties. Among the institutional aspects to be considered are the decisionmaking, dispute resolution and enforcement structures.

A. DEFINITIONS

Multilateralism - All decisions and agreements should be made jointly with the full cooperation of affected sovereign nation-states.

Democracy - All nation-states should engage their civil society in reaching a national consensus to be represented abroad.

Transparency – The content of all policy proposals and related processes of decisionmaking should be easily accessible public information.

Representation – All affected parties should be invited to participate fully and formally in all debate and decisionmaking.

Equity – The impacts of all decisions should be balanced among and shared by all affected parties.

Subsidiarity – Authority for decisionmaking should reside at the smallest political unit appropriate to the problem; larger units should not have the authority to pre-empt smaller units.

Decentralization – Authority for implementation of any policy should reside at the smallest appropriate political unit.

Diversity – Application of the principles of subsidiarity and decentralization will promote a diverse array of institutional mechanisms that enable experimentation and ensure that all policies are appropriate to the affected communities.

Accountability – Decisionmakers should report to civil society and be held publicly responsible for their decisions; applying all of these principles will ensure their full accountability to civil society.

B. ILLUSTRATION: TRADE POLICY

The recent announcement of a North American Free Trade Agreement and the on-going attempts to negotiate new rules of the General Agreement on Tariffs and Trade provide an opportunity to study how these principles could contribute to "fair trade," a positive approach to economic integration.

A fair trade agreement would be based upon:

Multilateralism – all participating nations would have fully engaged in good faith negotiations. Instead, GATT and NAFATA negotiations are characterized by the political dominance of those nations with corporations controlling the larger market shares for each sector the economy.

Democracy – each nation would involve the public in determining its negotiating position. Instead, provisions of the GATT and NAFTA proposals would violate and supersede existing U.S. laws protecting the environment, public health, food safety and workers' rights. Some organizations have filed a lawsuit under the National Environmental Protection Act to ensure that the impacts of a NAFTA be evaluated according to law, as were other federal projects with international impacts such as the Panama Canal.

Transparency – full information regarding policy proposals and procedures would be available to and debated by the public. Instead, the GATT and NAFTA negotiations are conducted in secret;

even Congress has abdicated its Constitutional role to regulate commerce and given the executive branch "fast track" authority to single-handedly negotiate complex agreements. Several organizations have filed a lawsuit under the Freedom of Information Act to compel the Administration to reveal the terms of the proposed NAFTA.

Representation – stakeholders would have a seat at the negotiating table. Instead, farmers, trade unions, consumer groups, and most environmental groups have been able to obtain only "leaked" information. The Administration did appoint representatives of several environmental organizations to an advisory committee but pledged them to secrecy and instructed them to return documents after each meeting. Furthermore, Administration promises to them regarding environmental provisions of the NAFTA have not been met.

Equity – the impacts of the agreement would be balanced and shared. Instead, the proposed terms of the GATT and NAFTA distribute potential gains unevenly; an aggregate increase in a nation's Gross Domestic Product does not usually correlate with improvements in literacy, infant mortality and longevity statistics. In the NAFTA, for example, a stated objective is to increase the size and scale of farming; whereas the Administration predicts 1 million new manufacturing jobs may develop in Mexico - - largely at the expense of US manufacturing jobs - - the agriculture terms will dislocate about 2 million of Mexico's peasant farmers. Likewise, the 10-year phase-out of tariffs and non-tariff barriers will force many US farmers out of the market; even programs supporting "highly sensitive" products - - sugar and orange juice in the US and corn and beans in Mexico - - will be phased-out over 15 years.

Subsidiarity – smaller political units would not be subject to pre-emption. Instead, the GATT and NAFTA would overrule national, state and local laws. Minnesota's restrictions on pesticides, stronger even than our federal standards, could be considered a "barrier to trade," as could our Minnesota Grown Program, our minority set-asides for state procurement, support for microbreweries and small wineries, our moratorium on use of the bovine growth hormone, our requirement of an environmental review before releases of any genetically engineered organisms, and even our recycling laws. The Canadian pulp and paper industry, for example, has claimed that a New York community's recycling program that requires 50% recycled fibers in their local newspaper is illegal under the GATT.

Also, subsidiarity suggests that a positive approach to economic planning is more feasible at a regional rather than global level. It would be more feasible to negotiate a fair trade agreement promoting sustainable development in North America - - with fewer parties, better cultural understanding and more predictable impacts - - than to attempt to construct a fair worldwide agreement incorporating huge new sectors of the world economy under a comprehensive global commerce agency as is proposed under the GATT.

Decentralization – implementation would also occur at the smallest appropriate political unit. Democratically-determined transnational rules, for example, could require the reinvestment of a share of transnational profits in participating productive communities. In such a case, one cotton-producing community might choose to develop its niche in a vertically-linked international textile industry and invest heavily in soil conservation while another might choose to invest in horizontally-linked value-added spinning, weaving, and apparel manufacturing. Instead of

enabling decentralized economic development projects, the GATT and NAFTA would allow transnational corporations to exploit local resources without local participation or remuneration.

Diversity – decentralized responses to international economic factors would ensure the creation of diverse and effective institutions. If foreign investors in a particular community were subject to that community's standards, specialized institutions would evolve to establish, monitor and enforce matters such as local hiring requirements, local environmental monitoring, or participation in local credit needs. Instead of promoting diverse institutions, the GATT and NAFTA encourage economic monopoly and create monolithic institutions of executive branch appointees.

Accountability – decisionmakers would report to and be responsible to affected communities. Instead the GATT and NAFTA allocate power to bureaucrats in undemocratic institutions established by secret committees of appointees of the executive branch of each government.