

BLOSSOMING TRADE BLOCS

The green lobby raises a red flag on agreement

Does pact foretell lowering standards and rising pollution?

BY MARK RITCHIE
In Minneapolis, USA

FOR MORE than a decade, the spotted owl has been a symbol of the bitter struggle between environmentalists and the timber industry in the northwestern United States. On the brink of extinction due to intensive logging, the owls were recently added to the government's endangered species list. That triggered a ban on logging in much of the remaining ancient forests.

For hundreds of small, independent sawmills and tens of thousands of workers, this was an economic disaster. The mills were left with only a small supply of timber from newer-growth forests.

The problem was finally solved, or so it seemed, with the decision by state governments to ban the export of unprocessed logs from public lands so that more would be available to US mills. This was hailed as a historic win-win agreement in which ecological and economic interests were balanced: the sawmills were back in business processing logs which had previously been sent to mills overseas, and the ancient forests were protected.

But now this solution may be unraveling. Environmentalists and forest industry leaders gathered last month to discuss a new and threatening development. They fear that the proposed North American Free Trade Agreement (NAFTA) will make it illegal to restrict the export of unprocessed logs to Mexico, in turn making it difficult to supply the US mills with enough trees.

This is an example of how trade agreements can have unforeseen environmental implications. The US-Canada free trade treaty raised concerns over issues ranging from water and forest resources to pesticide regulations and food safety. Canadian conservation and environmental organizations

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mounted a nationwide campaign to defeat the deal. Although they failed, their critique of the agreement, and of free trade in general, has evolved into very broad environmental opposition to the proposed expansion of the US-Canada accord to include Mexico in NAFTA.

The first concern is the limited scientific research available on the links between the environment and trade policies and practices. Lori Wallach, a staff attorney

dangerous wastes, industry will probably do it."

The second major concern of environmentalists is their belief, based on the first two years of the Canada-US Free Trade Agreement and 20 years of experience with the free trade zone along the US-Mexican border, that any further deregulation of trade will result in major new ecological problems in all three countries.

The third major concern is that the proposed NAFTA would result in pressure to weaken existing environmental regulations.

US and Canadian firms are already arguing that they cannot compete with factories in Mexico which are not required to meet the same standards and that they must either move to Mexico or convince governments to "harmonize" US and Canadian standards with those in Mexico.

Another concern raised by groups like Friends of the Earth is rainforest protection. The US-Canada treaty eliminated US controls on imports of Canadian beef. If this opening of the US market is now extended to Mexico, it will mean a sharp increase in imports from Mexico. This beef might come from increased cattle production in Mexico's rainforest regions.

The fourth major concern of environmentalists is their perception that the lack of democracy, accountability and oversight in the NAFTA negotiations process limits the ability of citizens in all three countries to influence the final agreement. These negotiations have generally been conducted in private with little information being released and the final draft agreement may be placed before the US Congress without public debate. Since Congress, under the so-called fast track procedure, could only approve or disapprove without making changes, there would be no opportunities for public input.

But Congressional leaders have promised that they will suspend the "fast track" rule if necessary. House Majority Leader Richard Gephardt said, "If the president sends to this Congress a trade treaty that trades away American jobs or tolerates pollution of the environment or abuse of workers, we can and will amend it or reject it. I am serving notice to both the Bush administration and to the Mexican government: I intend to do just that."♦



U.S. & Mexico launch a worldwide assault on endangered species.

[A collage of small text snippets, likely from a newspaper article, including phrases like 'U.S. & Mexico launch a worldwide assault on endangered species', 'The first concern is the limited scientific research...', and 'The fourth major concern of environmentalists...']

How some see the issue.

for Ralph Nader's Washington-based consumer and environmental lobbying group Public Citizen, argues that, "President Bush is refusing to devote the resources necessary to fully understand the potential ecological impacts."

The Mexican government did hire consultants to analyze the potential ecological impacts of the proposed agreement. The results were leaked to *The Los Angeles Times*, which reported that the study "warns that domestic (Mexican) businesses are likely to take environmental shortcuts to compete with foreign rivals if the agreement goes into effect...If it is possible to save money by improperly disposing of