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Bush's New World Order: Democracy and the Climate Change Treaty

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In late May, the White House announced that US President George Bush would join the heads of state of more than 100 other countries at the Earth Summit in Rio de Janeiro. The decision was made when the Bush Administration had succeeded in its negotiating strategy: they had made it clear that his attendance hinged upon deleting from the climate change treaty's final draft text all reference to specific limits on carbon dioxide (CO₂), the major greenhouse gas derived primarily by burning fossil fuels.

Consequences of this victory of the Bush Administration will be felt throughout the world. The European Community (EC), for example, had proposed a carbon tax on all non-renewable energy use in member countries but now they, too, have weakened their stand. Fearing a loss of competitiveness in world markets, the EC made its internal proposal conditional upon the US and Japan enacting similar laws. Quite contrary to Bush, the EC's Environment Commissioner decided to boycott the Earth Summit as a result.

Why would the United States not cooperate? President Bush said he was unwilling to sign a more specific treaty on climate change because of "jobs, job, jobs" -- but there is plenty of evidence that reduced consumption of energy both creates jobs and improves business productivity. First, conservation and the development of renewable sources create lots of employment for the less-skilled and highly-skilled labor forces respectively. Second, studies have shown that when industries reduce their spending on energy, they improve their return on investment. According to the Union of Concerned Scientists, reducing CO₂ emissions 70% by the year 2030, largely by reducing energy consumption, would free up about \$2.3 trillion for productive investment in the US economy.

The only reasonable explanation is that President Bush is working in the interests of transnational energy corporations, not the US citizenry. His goal is to keep oil flowing with extensive support from the federal government; a carbon tax would slow this flow. Presently, the White House and Senator Bennett Johnston of Louisiana, a major oil-producing state, are promoting energy legislation that would increase the US commitment to oil. The Iraq War, according to many analysts, was in effect an "oil war" to guarantee supplies from Saudi Arabia, the White House's best ally in the oil-rich Gulf region. By January, 1992, the Saudis had doubled their pre-war daily production capacity which had the effect of lowering the world price of oil by about 25%. There was speculation in US newspapers at the time that the price drop was part of a deal made between Bush and Saudi King Fahd to improve the President's chances for reelection.

In the US itself, President Bush recently accepted the recommendation of Vice President Dan Quayle's Council on Competitiveness, to gut the Clean Air Act by refusing to accept the necessary regulations needed to implement this law. This action now allows industry to evade some of the most important provisions of the Clean Air Act -- one of which ensured that citizens groups were notified when corporations were seeking to increase their air emissions and could challenge these requested increases. Whether this abridgement of the democratic rights of the US public is legal is a question now before the federal courts.

Free trade agreements (FTA) are another mechanism used by corporate interests to secure their control over natural resources and to subvert the democratic rights of communities, states, and nations. One of the most significant aspects of the 1988 US-Canada FTA was a guarantee from Canada that US energy companies would have unrestricted access to Canada's cheap oil, natural gas, uranium and hydro electric power supplies. One of the major components of the US-Mexico talks for the North American Free Trade Agreement (NAFTA), still subject to intense negotiation, is unlimited access to Mexico's oil. In these free trade negotiations, the public is virtually excluded.

The free trade proposals being negotiated through the General Agreement on Tariffs and Trade (GATT) would also undermine local, state, and national democratic processes. The Bush Administration has condemned social legislation, environmental regulations and laws which regulate investments as "barriers to trade." The 1988 Canada-US Free Trade Agreement has led to claims by Canadian officials that a local law in New York requiring 50% recycled material be used in the making of newsprint used by the local newspapers is a violation of the pulp and paper industry's right to free trade. Also under this agreement, Canada's asbestos industry has charged that the US ban on asbestos is excessively restrictive. The US government has forced British Columbia to suspend a reforestation program on grounds it is an unfair subsidy to Canada's timber companies. The draft North American Free Trade Agreement (NAFTA) and GATT texts both call for harmonizing each country's food safety standards with norms negotiated by representatives of CocaCola, Pepsi, Nestle, Ralston Purina, Kraft and General Foods through an agency called Codex Alimentarius. It is not surprising that these norms minimize health and safety regulations .

The current GATT text even proposes creating a new international institution, a Multilateral Trade Organization (MTO), with not only the authority but the obligation to order individual countries to revise their domestic laws and policies in the interests of maximizing trade. Countries would submit lists of their national, state or provincial, and local regulations for scrutiny by a committee of the MTO searching for barriers to trade. Regulations targeted by the committee must be eliminated; the text requires countries to "take all necessary steps to ensure conformity" to the GATT. Disputes about these procedures would be decided by panels of appointed trade officials subject to no public review processes whatsoever. Not even the press is informed of their deliberations. Under the MTO, the panel decisions would become binding whereas current international law requires a consensus of the GATT leadership to accept their findings.

The loss of democracy through FTAs affects citizens of developing countries as well as industrialized countries; the winners are transnational corporations seeking to evade all kinds of social, labor, environmental and tax laws from country to country. In the NAFTA, for example, terms granting preferential treatment for Mexico are not targeted to peasant farmers but, rather, to any agricultural producer operating on Mexican soil. Instead of strengthening local markets, providing technical assistance to improve food safety, developing transportation for remote communities, and enhancing food security by managing supply through import restrictions on products of national importance, the NAFTA's express goal of "raising efficiency through an increase in the scale of production" would accelerate land concentration and consequent migration.

In all of these cases, the industrialized countries led by US President George Bush are pursuing a "new world order" in which the corporate sector can enjoy easy access to the world's resources. Like any other regulatory regime, a serious treaty committing the nations of the world to stopping climate change would constitute a barrier to trade from the perspective of the White House. With 5.8% of total world trade values devoted to transport costs in 1990, a carbon tax would indeed tend to slow movement of goods across borders, save a considerable amount of fuel, and slow climate change proportionately. Yet, the treaty reads that nations need only "aim" at reducing CO2 emissions sometime in the future. Only a few months ago, the draft climate change text would have committed countries to cutting CO2 emissions 20% below their 1985 levels; these terms had satisfied virtually every other country in the world except members of PEC, the Organization of Petroleum-Exporting Countries.

George Bush and the oil companies may be pleased with their success in the international community - from free trade agreements to the Earth Summit, the corporate sector has been gaining over democracy, even in the US. The lack of democracy in new formations of international law is the key problem; reasserting representative democracy that wrests power from the executive branches of most national governments is key to the solution. The potential for multilateral cooperation to fairly allocate the planet's resources depends upon an international regime built upon structures of community and local political participation.