

SUMMARY OF KEY POINTS FROM PRESENTATIONS AND DISCUSSIONS

(Afternoon session)

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I. The Administration's worldview on foreign trade policy

- Trade is an important part of the Bush administration's worldview. The US sees the world in a macro-strategic way. Before 1945, US trade policy was an intrinsic part of foreign policy. Increasingly, however, foreign policy and trade policy is being disentangled. Now that they have untied foreign policy from trade policy. There is a fear that the US is abdicating its leadership role and losing ground to the European Union in international trade liberalisation. The FTAA is a high priority. During the WTO talks agricultural issues emerged as important but contentious. The US is also interested in negotiating regional (bilateral or multilateral) trade agreements.
- U.S. Trade Representative, Robert Zoellick, is highly regarded. He believes a few big agreements are better than many small ones. Zoellick insists on a bipartisan consensus (with no congressional amendments) and the inclusion of labour and environmental standards. He feels that labour standards have to be included in all trade agreements and that there must be a strengthening of the International Labour Organization (ILO). Similarly with environmental standards. Environmental reviews must be conducted on trade agreements to ensure that bad environmental practices are not exported or "offshored". Preference will be given to countries that abide by the terms of the agreement – especially on labour and environmental standards.

II. Domestic / Congressional views on trade liberalisation

- These concepts are not an easy sell to Congress. They must approve of new negotiations. The "Byrd amendment" represents a breakdown to the extent that it allows private interests to benefit from anti-dumping policies. 1998 was the first time that the Senate refused to give the President a "fast track" on trade negotiations. New coalitions have to be built. With the recent change in the voting balance of power in the Senate, Democrats now have control of the committee structure. For example Senator Max Baucus chairs the key finance committee. He sees himself as a strong proponent of trade; however, Baucus cannot imagine any trade agreement that does not include environmental and labour standards and insists that preference can only go to those who meet those standards. Furthermore as the new Congress sees it, trade agreements must have clear objectives and must be reversible.