

## What this strategy means for European citizens

The Commission pretends that this strategy will create growth and jobs for Europe. However, increasingly open and deregulated markets have failed to deliver on sustainable development and social justice. Instead, tougher and tougher competition and trade liberalisation have led to more insecurity, precarity, deteriorating salaries and working conditions, deepening inequalities between countries, regions and between women and men. This strategy also puts under threat environmental and health regulations. A good example is the directive REACH that was aimed at controlling the chemicals present in our every day life. After a consultation process where, the *Global Europe* communication says that “the voice of the industry outside Europe became heard”, the number of chemical products having to be tested before being marketed was greatly reduced, though many of these products are suspected to be dangerous. Adapting the European social and environmental framework to the external competitiveness agenda of EU corporations leads to greater social rejection and growing public questioning of this Europe from capital, inside and outside the EU.

## And people in the world

In the *Global Europe* communication, EU promises simply “a sharper focus on market opening and stronger rules in new trade areas of economic importance for us.” What market opening means for developing countries is the collapse of industry in the face of unfair competition from European corporations – threatening millions of livelihoods. Rural communities, often still a majority of the population in the targeted countries, will be particularly harmed as cheap, processed and subsidised agricultural goods will flood developing country markets. Farmers, and particularly small scale women’s farmers, who simply cannot compete with powerful European agribusinesses will be driven off their land.



**Stop the EU's corporate trade agenda**

Seattle to Brussels Network, part of Our World is Not For Sale <http://www.s2bnetwork.org>

## Alternative trade and cooperation policies that work for “An Other Possible World”

Our network believes that trade liberalisation and its devastating impacts are not inevitable. We believe that human and women’s rights, environmental protection, social rights and health should not be subordinated to corporate-driven trade hegemony.

We advocate alternatives based on:

- ▶ Re-localisation of production: trade policies that recognise the right to market protection and that encourage local exchanges rather than exports.
- ▶ Global social rights: trade agreements that put first social, environmental and human and women’s rights.
- ▶ Food sovereignty: agricultural agreements that recognize the right of the people to decide what they want to eat and how their food is produced.
- ▶ Fair trade: trade regulation that ensures fair prices for the producers in the North and in the South.
- ▶ Commodities management: international agreements on the major commodities in order to secure fair prices for the producers and the consumers.
- ▶ Ensuring the necessary policy space and regulatory capacity for governments, especially in the South to define their own policy priorities and development strategies.
- ▶ Strengthening and universalising essential services: No to the liberalisation or privatisation of public services.

### For further information contact:

- ▶ Seattle to Brussels Network: [www.s2bnetwork.org](http://www.s2bnetwork.org)
- ▶ Birregional Network Europe, Latin America and Caribbean “Enlazando Alternativas”: [www.enlazandoalternativas.org](http://www.enlazandoalternativas.org)
- ▶ Stop EPA Campaign: [www.stopepa.org](http://www.stopepa.org)

### Some key dates for mobilisation

- ▶ Global action day against EPAs: 27<sup>th</sup> of September 2007
- ▶ European Forum on Public Services: 6-7<sup>th</sup> of December 2007

# Global Europe: Serving European corporations

How the EU's new external trade strategy is destroying our jobs, rights and environment



**Let's stop the Corporate Europe, now!**

In 2006 the European Commission unveiled a new communication entitled *Global Europe: Competing in the World* ([http://ec.europa.eu/trade/issues/sectoral/competitiveness/global\\_europe\\_en.htm](http://ec.europa.eu/trade/issues/sectoral/competitiveness/global_europe_en.htm)), which sets the EU's trade agenda. At the heart of this agenda is a push to improve the global competitiveness of European corporations at the expense of people and the environment in Europe and the Global South.

Core elements of the new strategy:

- ▶ Access to resources (from agriculture commodities to energy).
- ▶ New and better market access for European products.
- ▶ Rules securing European investments and intellectual property rights.

In addition to the ongoing multilateral WTO negotiations, the EU wants to achieve these objectives by negotiating bilateral free trade agreements with the so-called emerging economies such as India, South Korea, Central America, Andean Region, ASEAN states, among others. This new aggressive market access strategy has been put forward by Commissioner Peter Mandelson. It is endorsed by all EU trade ministers and the majority of EU Parliamentarians.

The strategy does not only undermine regulation in target countries. It also clearly links EU internal deregulations to this agenda. It says, for

example, that future directives on social, labour or environmental issues for instance, should not be threatening the global competitiveness of European corporations. *Global Europe* poses a serious threat to social justice, gender equality and sustainable development not only outside the EU, but also within. The erosion of workers' rights, the worsening of the quality of jobs within the EU, the destruction of a sustainable model of farming is also intrinsically linked to the external EU trade agenda.

The EU Commission and the member states argue that making EU corporations fit for global competition and increasing trade will lead to "more jobs" and "allow us to save the European social model". Yet the opposite is true. With trade liberalisation across all sectors – agriculture, industry and services – the beneficiaries are a handful of corporations.

### **Destroying democracy and policy space Adapting European regulation to the external trade agenda**

If trade policy was already an instrument to introduce policy reform at home, via the World Trade Organisation (WTO), it will now directly dictate domestic reforms. The *Global Europe* communication advocates for more competition within the EU and to harmonise internal standards with those of other trading partners (notably the US). The Commission also

wants to listen to foreign and domestic corporate grievances before making any decisions "affecting the market" – such as those on environmental, health or social regulations. In order to achieve this, one key element of the proposed strategy is to introduce the so-called "prior commitment" process that offensively calls for governments and other stakeholders outside the EU to comment on future EU directives. The EU and its corporations want to do the same with future laws of their trading partners.

The EU Commission and member state governments are well aware that the competitive liberalisation dogma they promote will have severe social and environmental consequences. They "recognize the potentially disruptive impacts" of their proposal, specifically for the poorest regions and workers in Europe. As a response, they put forward a European Globalisation Adjustment Fund and other cohesion policy programmes, in order to "equip people for change."

### **Securing EU corporate interests via bilateral free-trade agreements**

In order to advance the aggressive interests of EU corporations, the European Commission and member states now openly pursue a dual strategy. Interests – such as investment agreements or access a countries services sector – that cannot be achieved to the extent wished in an agreement in the WTO, will be negotiated in bilateral Free Trade Agreements with: India, South Korea, ASEAN, Mercosur (especially Brazil), Central America and Andean Region. But also Russia and Gulf Cooperation Council are on the priority list of the EU. China is singled out for special consideration. The possibility of negotiating a trade and investment agreement is currently being explored. The goal of these bilateral or bi-regional free trade agreements is to open and deregulate developing country markets for European companies, to increase their access to natural resources, in particularly to energy reserves and to secure their profits by enforcing intellectual property rights and other trade defence mechanisms.

In addition, the EU is currently forcing the conclusion of Economic Partnership Agreements between EU and regional groups in the African, Caribbean and Pacific region. These unfair trade deals are based on a neo-liberal perspective, threaten livelihoods of millions of farmers and workers of both ACP and European populations.

