U.S. Election Fever May Delay Doha Talks

By Aileen Kwa Inter Press Service January 21, 2007

GENEVA - A busy negotiating schedule is lined up for this year at the World Trade Organisation (WTO). The question remains whether negotiators will have to continue passing the time as the powers-that-be in Washington are consumed by pre-election politics, or if the technical solutions which they have been working on could, in fact, lead to a conclusion of the Doha Development Round.

The chairs of the negotiations on agricultural and industrial products are expected to release another round of draft texts at the end of January. This will be followed by intense text-based negotiations.

If things go according to WTO Director General Pascal Lamy's Plan A, modalities (new rules and commitments) for agriculture and non-agricultural market access (NAMA) are to be concluded by March or April.

There could even be what an African delegate termed a "medium-sized" ministerial meeting to endorse the modalities at this time, with a fully fledged ministerial meeting at the end of 2008 to conclude the Round.

There are varying opinions as to the likelihood of Plan A materializing. As 2007 slipped away and the U.S. entered both a recession and an even fiercer stage of partisan preelection frenzy, it seems unlikely that Washington is in any mood to liberalise trade.

Lori Wallach of Public Citizen, based in Washington, told IPS that "there is no appetite for a Doha Round here. The only Doha deal that could possibly break this mood would have to be something so lopsidedly pro-U.S. big corporations that it would not be a feasible outcome.

"That is, if there was some sudden windfall pile of trade goodies to harvest without the U.S. having to give much, then that would get things moving here. We're heading into a recession and trade is increasingly politically toxic, given our 800 billion dollar trade deficit and its effect in slowing our growth by two percentage points", she added.

Referring to the increasingly unpopular North American Free Trade Agreement (NAFTA) between the U.S., Canada and Mexico, Wallach observed, "the Democratic presidential candidates are all trying to 'out anti-NAFTA' each other. Remarkably, even half of the Republican presidential candidates are anti-NAFTA and anti-WTO."

Then there is the issue of the Trade Promotion Authority (TPA), the authority granted by the U.S. Congress to the U.S. president to negotiate trade agreements that Congress could

approve or reject but not amend. President George W. Bush's administration requires the TPA to conclude the Round.

According to Wallach, "Bush has a 5 percent chance of getting a Doha-only TPA. If there had been a broader window of opportunity, that was shut down at the end of last year when Bush vetoed or threatened to veto every single Democratic priority initiative passed by Congress."

According to a WTO negotiator from West Africa, "I have not seen any sign or commitment that 2008 is a definitive date. It is an aspiration, but I won't be surprised if it will go to 2009. And if it does, the election in the U.S. would be over and they would be able to test the waters."

He said that within the Group of 33 (or G33, a coalition of developing countries which has been calling for the protection of food security and rural livelihoods), "we have criticized ourselves for being too flexible, and the flexibility should not be one-sided. We are waiting for reciprocity from the developed countries.

"At the end of the day, we will have a blame game. Developed countries will ask for more liberalisation in NAMA and services and they will blame developing countries for not showing signs of flexibility. Developing countries will say that our interests have not been taken seriously," he added.

From his point of view, the U.S. and the EU are now very obviously working closely together, and "just from seeing that, I think that there will be no movement on their side."

However, not all negotiators share his prognosis for 2008. An East African negotiator underscored that ground has been covered on some technical issues. "The possibility of a conclusion looks positive, not completely, but more positive than before." (END/2008)