CAN THE ENVIRONMENT SURVIVE THE GLOBAL ECONOMY?

Edward Goldsmith

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By now, it should be clear that our environment is becoming ever less capable of sustaining the growing impact of our economic activities. Everywhere our forests are overlogged, our agricultural lands overcropped, our grasslands overgrazed, our wetlands overdrained, our groundwaters overtapped, our seas overfished, and just about the whole terrestrial and marine environment overpolluted with chemical and radioactive poisons. Worse still, if that is possible, our atmospheric environment is becoming ever less capable of absorbing either the ozone-depleting gases or the greenhouse gases generated by our economic activities without creating new climatic conditions to which we cannot indefinitely adapt.

In such conditions, there can be only one way of maintaining the habitability of our planet and that is by setting out methodically to reduce this impact. Unfortunately, it is the overriding goal of just about every government in the world to maximize world trade and create a **global economy** - which has now been institutionalized with the signing of the GATT Uruguay Round Agreement. To increase trade is justified because it is seen to be the most effective way of increasing economic development, which we equate with progress, and which in terms of the world-view of modernism, is made out to provide a means of creating a material and technological paradise on Earth, from which all the problems that have confronted us since the beginning of our tenancy of this planet will have been methodically eliminated.

Unfortunately, economic development, by its very nature, must necessarily further increase the impact of our economic activities on the environment. This could not be better illustrated than by the terrible environmental destruction that has occurred in Taiwan and South Korea, the two principal newly industrial countries (NICS) that in the last decades have achieved the most stunning rates of economic growth, and that are currently held up as models for all Third World countries to emulate.

In the case of Taiwan, as Walden Bello and Stephanie Rosenfeld have carefully documented in their book Dragons in Distress,[1] forests have been cleared to accommodate industrial and residential developments and plantations of fast-growing conifers. The virgin broadleaf forests that once covered the entire eastern coast have now been almost completely destroyed. The vast network of roads built to open up the forests to logging, agriculture and development, has caused serious soil erosion, especially in the mountain areas where whole slopes of bare soil have slid away.

Efforts to maximize agriculture production in export oriented plantations have led to the tripling of fertilizer use between 1952 and 1980, which has led to soil acidification, zinc losses and decline in soil fertility, with water pollution and fertilizer run-off contaminating ground water - the main source of drinking water for many Taiwanese.

The use of pesticides has increased massively, and it is a major source of contamination of Taiwan's surface waters and ground waters; and their sale is subject to no effective government controls. The food produced is so contaminated with pesticides that, according to

the sociologist Michael Hsias, "Many farmers don't eat what they sell on the market. Instead, they grow an organic crop, and that is what they consume."[2]

A substantial number of Taiwan's 90,000 factories have been located in the countryside, on rice fields along waterways and near private residences. In order to maximize competitiveness, their owners have disregarded what waste-disposal regulations there are and much of the waste is simply dumped into the nearest waterway. Not surprisingly, 20 per cent of farmland, according to the government itself, is now polluted by industrial waste water. Nor is it surprising that 30 per cent of the rice grown in Taiwan is contaminated with heavy metals, including mercury, arsenic and cadmium. Human waste, of which only about 1 per cent receives even primary treatment, is flushed into rivers, providing nutrients for the unchecked growth of weeds which use up the available oxygen, killing off the fish life. This largely explains why Taiwan now has the world's highest incidence of hepatitis. Agricultural and industrial poisons and human waste have now severely polluted the lower reaches of just about every one of Taiwan's major rivers - many of which "are little more than flowing cesspools, devoid of fish, almost completely dead". In Hou Jin, a small town near the city of Kaohsiung, forty years of pollution by the Taiwan Petroleum Company has made the water not only unfit to drink but actually combustible.

The prawn-farming industry has achieved a fantastic growth-rate - with prawn production increasing 45 times in just ten years. Prawn-farmers, however, have themselves become deprived of the fresh clean water that they need because of the build-up of toxic chemical wastes from upstream industries in rivers and wells. As a result the mass deaths of prawn and fish have become a regular occurrence.

Air pollution has also increased massively. Sulphur dioxide and nitrous oxide pollution in Taiwan are now intolerable, regularly reaching levels that are double those judged harmful in the USA. Not surprisingly, the incidence of asthma among children in Taiwan has quadrupled in the last ten years. Not surprisingly too, cancer has now become the leading cause of death, its incidence having doubled over the last 30 years.

Even if the annual rate of economic growth in Taiwan were cut to 6.5 per cent, stresses on Taiwan's already degraded environment would double by the year 2000. Even if this were vaguely feasible, can one really believe that it could be allowed to double again, and yet again, without rendering the island almost totally unfit for human habitation? Already, many people are abandoning Taiwan and buying houses in such places as Australia and New Zealand, partly at least to escape the Taiwan environmental nightmare.

It could be argued of course that once Taiwan has achieved a certain level of GNP, it will be able to afford to install the technological equipment required for mitigating the destructiveness of the development process. This argument was credible until recently. However, with the development of the **global economy**, competitiveness has become the order of the day. This has meant deregulation - that is, the abandonment of regulations, including environmental regulations, that increase costs to industry. This implies, in effect, that much of the legislation that has been forced on recalcitrant governments by environmental groups in the rich industrial countries is being systematically repealed. Not even the rich countries, in fact, can now "afford" environmental controls.

Creating consumers

Creating a global economy means seeking to generalize this destructive process, which means transforming the vast mass of still largely self-sufficient people living in the rural areas of the Third World into consumers of capital-intensive goods and services,mainly those provided by the transnational corporations (TNCs). For this to be possible, the cultural patterns with which most Third World people, at least in rural areas, are still imbued and that commit them to their largely self-sufficient life-styles must of course be ruthlessly destroyed by American television and Western advertising companies and supplanted by the culture and values of Western mass-consumer society. Of course, it is mainly the appetite for this lifestyle that can be exported - the lifestyle itself, only an insignificant minority will ever enjoy, and even then for but a brief period of time, for the whole enterprise is completely impossible, the biosphere being incapable of sustaining the impact on it of the increased economic activities required.

Thus it has been calculated that to bring all Third World countries to the consumption level of the USA by the year 2060 would require 4 per cent economic growth a year. This, of course, would have to be properly distributed, which in itself would not be easy. The annual world output, however, and, in effect, the annual impact of our economic activities on the environment, would be 16 times what it is today - which is of course not even remotely conceivable. However, this consideration could not be further from the minds of those who are promoting the global economy. Thus America's Big Three automakers soon hope to finalize deals in China, whose object is to bring automobiles to each person who now rides a bicycle or simply walks. Merely the extra carbon-dioxide emissions from several hundred million more automobiles would make nonsense of the UN's Intergovernmental Panel on Climate Change's tentative prognostics by leading to a massive escalation in the rate of global warming with all its concomitant horrors. If every Chinese were also to have a refrigerator, as the Chinese government proudly promises, emissions of CFCs and HCFCs would escalate to the point of making nonsense of any agreements reached on the basis of the Montreal protocol to cut down on emissions of ozone depleting substances in order to save what remains of the ozone layer.

Production for export

One of the principles of economic globalization and "free trade" is that countries should specialize in producing and exporting a few commodities that they produce particularly well and import almost everything else from other countries. This means that such production is not limited by local demand but only by worm demand, hence a massive increase in production for export. It is worth considering what an enormous proportion of the world's production of the most basic commodities is already produced for export - 33 per cent in the case of plywood, 84 per cent in the case of coffee, 38 per cent in the case of fish, 47 per cent in the case of bauxite and alumina, 40 per cent in the case of iron ore, 46 per cent in the case of crude oil.[3]

Timber is also above all an export crop. In Malaysia, more than half the trees that are felled for timber are exported. This brings in $1 1/2 billion a year in foreign exchange, but at a terrible environmental cost. Peninsular Malaysia was 70 per cent to 80 per cent forested 50 years ago. Today, mainly because of the export trade, it has been largely deforested. The result has been escalating soil erosion, the fall of the water-table in many areas, and a general

increase in droughts and floods. The Malaysian States of Sarawak and Sabah are being stripped so rapidly that it is but a matter of a few years before all but the most inaccessible forests will have been destroyed, annihilating, at the same time, the culture and lifestyle of the local tribal people.

As country after country is logged out, the loggers simply move elsewhere. In South-East Asia it is to New Guinea, Laos, Myanmar and Cambodia, the last countries that remain still largely forested - significantly the only ones too that have remained, up till now, outside the orbit of the world trading system. At the current rate of forest destruction, these countries will have been largely deforested within the next decade.

It is probable that so long as a market can be found for the timber, forests will continue to be logged. Effective measures to control logging are unlikely, since in most countries in South-East Asia it is the politicians and their families who own the concessions, and the logging companies with whom they deal are in any case too powerful and too corrupt to control.[4] It is probable that only a collapse of the world economy could save the remaining loggable forests.

Plantation crops mass-produced for export tend also to cause terrible environmental destruction. This is clear in the US Mid-West, where the intensive cultivation of maize and soya beans, largely for export, is leading to such serious soil-erosion that what was once the most fertile agricultural area in the world will, on current trends, be almost entirely deprived of its topsoil within the next 50 years.[5]

Tobacco is another crop that is largely grown for export worldwide. In the case of Malawi it represents 55 per cent of that country's foreign exchange earnings. Robert Goodland notes that "tobacco depletes soil nutrients at a much higher rate than most other crops, thus rapidly decreasing the life of the soil."[6] But the heaviest environmental cost of tobacco production lies in the sheer volume of wood needed to fuel tobacco-curing barns. Every year the trees from an estimated 12,000 square kilometres are cut down, with 55 cubic metres of cut wood being burnt for every tonne of tobacco cured. Some experts put the figure even higher - at 50,000 square kilometres.[7]

Coffee is largely an export crop, and its production also causes the most serious environmental degradation. Georg Borgstrom notes how the coffee planters have destroyed the soils of Brazil. "The almost predatory exploitations by the coffee planters", he writes, "have ruined a considerable proportion of Brazil's soils. In many areas, these abandoned coffee lands are so mined that they can hardly ever be restored to crop production. In others, a varying portion of the topsoil has been removed, or the humus content of the soil has been seriously reduced. In most regions, a mere one-tenth now remains of the amount of humus present when coffee cultivation was started. Therefore the coffee plantations have always been on the march, grabbing new lands and leaving behind eroded or impoverished soils."[8]

The same can be said of groundnut plantations in French West Africa. Indeed it has been estimated, Franke and Chasin write, that "after only two successive years of peanut growing, there is a loss of thirty per cent of the soil's organic matter and sixty per cent of the colloidal humus. In two successive years of peanut planting, the second year's yield will be from twenty to forty per cent lower than the first."[9]

What the export-oriented logging industry is doing to our forests and the export-oriented livestock rearing schemes and intensive plantations are doing to our land, the high-tech fishing industry, itself dependent on exports - with 38 per cent of fish caught worldwide exported - is doing to the seas. Today, nine of the world's seventeen major fishing grounds are in decline and four are already "fished out" commercially. Total catches in the Northwest Atlantic have fallen by almost a third during the last 20 years. In 1992, the great cod fisheries of the Grand Banks off Newfoundland in Canada were closed indefinitely, and in Europe mackerel stocks in the North Sea have decreased by 50 times since the 1960s.

As fish stocks are depleted in the North, it is in the South that the fleets are now congregating, but the volume of fish exported from developing nations has already increased by nearly four times in the last 20 years, and Southern fisheries are already under stress.[11]

The predictable result is the depletion of Third World fisheries too, with the most drastic consequences for local fishing communities.

The expansion of many export-oriented industries gives rise to a whole range of adverse environmental consequences affecting most aspects of people's lives. An obvious case in point is the intensive prawn-farming industry that has been expanding rapidly throughout Asia and some parts of the Americas and Africa. Its export market for intensively farmed prawns is now worth 6.6 billion dollars.

Already about half of the world's mangrove forests have been cut down, many of them in order to accommodate prawn farms. In Ecuador for instance, in 1987 120,000 hectares of mangroves have been destroyed for this purpose. In Thailand the figure is 100,000 hectares. The consequences of mangrove destruction are catastrophic for local fishing communities, as many fish species necessarily spend part of their life cycle in mangrove forests. If they are destroyed, fishing catches tend to fall dramatically.

Another environmental consequence of prawn farms is a reduction in the availability of fresh water for irrigation in nearby rice paddies, the reason being that prawn farms require large amounts of fresh water to mix with sea water in order to produce the brackish water that the prawns like living in. In the Philippines the overextraction of ground water for prawn farms in Negros Occidental "has caused shallow wells, orchards and ricelands to dry up, land to subside and salt water to intrude from the sea."[12]

Chemical pollution is another problem, as some intensive prawn farms can use up to 35 chemicals and biological products as disinfectants, soil and water conditioners, pesticides, fertilizers and feed-additives. In South Thailand's "rice bowl" between the provinces of Nakhon Si Thammarat and Songkhla, yields have crashed as chemical runoff from 15,000 acres of prawn farms have polluted irrigation canals.[13]

As more and more land is required for the cultivation of export crops, the food needs of rural people must be met by production from an ever-shrinking land-base. Worse, it is always the good land that is devoted to export crops - land that lends itself to intensive, large-scale mass-production. Production for export always has priority since it offers what governments are keenest to obtain: foreign exchange. The rural population is thus increasingly confined to rocky and infertile lands, or steep slopes that are very vulnerable to erosion and totally unsuited to agriculture. These areas are rapidly stripped of their forest-cover, ploughed up

and degraded. This has occurred, and continues to occur, just about everywhere in the Third World with the growth of the export trade to the world economy.

An example is provided by the rapid growth of soya bean cultivation in Brazil, which is now the second largest soya bean exporter after the United States. One of the results of such growth has been the forced migration of vast numbers of peasants from their lands in the southern state of Rio Grande do Sul and into Amazonia, in particular to the states of Rondonia and Para, where they have cleared vast areas of forest to provide the land from which they must now derive their sustenance. This land, which is largely lateritic, is totally unsuitable to agriculture and after a few years becomes so degraded that it is no longer of any use. This forces the peasants to clear more forest, which provides them with land for another few years - a process that could theoretically continue until all available forest has been destroyed.

Increased transport

So far we have only considered some of the local effects of extractive export industries, such as logging, ranching, fishing and in particular intensive prawn-farming. But the produce of such industries, as well as minerals such as oil, coal, natural gas, and mass-produced manufactured goods, must be transported to the countries that import them. With the development of the global economy the volume of such produce and the distances over which it must be transported can only increase very significantly.

Already in 1991, 4 billion tonnes of freight were exported by ship worldwide, and this required 8.1 exajoules of energy, which is as much as was used by the entire economies of Brazil and Turkey combined. 70 million tonnes of freight that year were sent by plane, and this used 0.6 exajoules, which is equal to a total annual energy use of the Philippines.[14]

A European Union task force has calculated that the creation of the single market in Europe in 1993 would increase cross-border traffic with the consequent increase in air pollution and noise by 30 per cent to 50 per cent. With the increase in trade between North America and Mexico, cross-border trucking has doubled in the last five years and this was even before trade barriers were reduced between the two countries. The US government predicted that after the signature of the North American Free Trade Agreement (NAFTA) cross-border trucking would increase by nearly seven times. The ratification of the GATT Uruguay Round Agreement can only further increase the worldwide transport of goods even more dramatically - and to accommodate it a vast number of new highways, airports, harbours, warehouses, etc., must be built, which in itself can only cause serious environmental destruction.

The trans-Amazonian highway for instance, which is designed to supply Asian markets with more timber and minerals, will rip through one of the biologically-rich forested areas of the tropics. Like previous World Bank funded highways carved through primary forests, it will fragment habitat and open up previously inaccessible lands to loggers, miners, ranchers and settlers, just as occurred in the case of the World Bank's notorious Polonoereste project, which triggered off the deforestation of the State of Rondonia and the annihilation of most of its tribal groups.

In its aim to expand and accelerate the transport of goods along the Rio de la Plata, the Hidrovia project of the Mercosur countries will dry out Brazil's Pantanal (the world's largest

wetland which contains the highest diversity of mammals) while worsening flooding downstream. The building of more ports, essential for exporting and importing goods, destroys coastal habitats by demolishing wetlands and mangrove forests, increasing chemical spillage, and dredging the bottoms of bays and lagoons. The increased transport itself, will of course give rise to even more environmental devastation, if one takes into account the pollution caused by the extra combustion of fossil fuels - and in particular the effect of increased carbon-dioxide emissions on global warming, not to mention the accidents during transport, leading to oil spills and spills of dangerous chemicals etc. Indeed, it is likely that if merely the environmental costs of increased transport were really taken into account - that is, if they Were "internalized" - then much of world trade would be totally uneconomic and we would return to a very much more localized and less environmentally destructive trading system.[15]

The environmental effects of increased competition

A recent EC report has seriously questioned the effectiveness of current environmental regulations in protecting our environment as the impact on it continues to grow.

It points out there has already been a 13 per cent increase in the generation of municipal wastes between 1986-1991, a 35 per cent increase in the EC's water withdrawal rate between 1970-1985, and a 63 per cent increase in fertilizer use between 1986 and 1991. It predicts that if current growth rates continue, carbon-dioxide emissions must increase by 20 per cent by the year 2010, making nonsense of the EU countries' commitment to stabilize them by the year 2000.

Clearly then these regulations must be seriously strengthened. However, in the free-for-all of the global economy no country can strengthen environmental regulations that increase corporate costs without putting itself at a "comparative disadvantage" vis-a-vis its competitors.

The push for a global carbon tax illustrates this problem. The European Union and Japan both proposed adopting an international tax on fossil fuels as a first step in a campaign to reduce carbon-dioxide emissions. The United States refused, saying that imposing such a tax on Americans would be "electorally impossible". Not wanting to impose costs on themselves alone, the EU and Japan dropped the idea. Fossil-fuel use and carbon-dioxide emissions thereby remain almost entirely out of control.[16]

In other words, responsible producers who seek to minimize environmental costs must compete against those who do not, and are thereby more competitive. This, among other things, endangers, indeed condemns, the world's remaining ecologically sustainable economic activities.

An example is Amazonia's rubber tappers, who extract latex from the rubber trees scattered throughout much of the Amazonian forests, in a perfectly sustainable manner. They will encounter increasing difficulty in competing with rubber grown on plantations in Asia that have been obtained by clearing tropical forests, especially as under pressure from transnational tyre companies with plants in Brazil, such as Pirelli, Michelin and Goodyear, tariffs on natural rubber imports are due to be eliminated in the next decade.[17]

Competition and environmental disaster

In order to increase competitivity, corporations are increasingly undertaking cost-cutting measures which generally involve cutting down, often drastically, on the number of employees. This can seriously increase the incidence of environmental accidents. A case in point is the Exxon Valdez disaster, which would probably not have occurred if Exxon had not eliminated 80,000 jobs, among other things reducing the crews of its supertankers by a third.[18] In addition the supertanker would normally have navigated in a safe but slow shipping lane. Instead, also in order to cut costs, it was moved to a much faster shipping lane, but one which was incomparably more dangerous, since it meant having to navigate through ice floes from the Columbia glacier. David Dembo considers that the Bhopal environmental disaster would probably not have occurred if Union Carbide had not indulged in all sorts of cost-cutting measures.[19]

Deregulation

Until recently corporations have been limited in their efforts to cut costs by a host of regulations that have been passed, mainly in the last decades, in order to protect the interests of labour, the unemployed, the poor, the old and the sick, local community, local economics, and of course the environment. To the hard-nosed businessman these regulations are so much bureaucratic red tape and serve above all to increase costs and reduce competitivity. As a result pressure has mounted everywhere to get rid of these regulations as quickly as possible. The term used for achieving this cynical and incredibly shortsighted goal is deregulation, and not surprisingly it has been the order of the day for fifteen years or more, in both the US and the UK. Thus when George Bush was Vice-President, he headed the Reagan administration's "Task Force on Regulatory Relief" which, according to the World Public Citizens Congress Watch, was involved in thwarting workers' safety regulations; obstructing consumer products' safety controls; rolling back highway safety initiatives and weakening environmental protection. In 1989, during the Bush administration, this work was taken over by Vice-President Quayle with his "Council on Competitiveness" which did much the same thing. Among other things it was active in opening up the commercial exploitation of possibly as much as half the United States' protected wetlands and tabled more than 100 amendments to the EPA's implementation proposals for the 1990 Clear Air Act.

Free-trade zones

What are likely to be the effects of deregulation at a world level can be gauged from the experience with "free-trade zones" or "export-processing zones", of which there are now some 200 in the Third World - usually situated near key communication centres. Foreign industries are enticed to establish themselves in these zones by the simple expedient of eliminating any effective regulations to protect the interests of labour or the environment.

Needless to say, wherever free-trade zones have been established, there has been environmental devastation on a literally horrific scale. Alexander Goldsmith argues that with the ratification of the GATT Treaty we are transforming the world into what is in effect little more than one vast "free-trade zone" - a truly horrifying thought.[20]

The environmental effects of Structural Adjustment Programmes (SAPs)

What provides another eloquent illustration of the environmental consequences of increased competitiveness and deregulation among export-oriented industries is the experience of those

Third World countries that in the last ten years have been subject to IMF and World Bank Structural Adjustment Programmes.

For instance, Costa Rica was subjected to no fewer than nine IMF and World Bank structural adjustment programmes between 1980 and 1989. Greatly increased exports were made possible by the massive expansion of the banana industry and of cattle-ranching. The latter was heavily subsidized (a form of government intervention that free-traders do not seem to disapprove of), a third of state agricultural credit going to the cattle ranchers. Expansion took place at the cost of the country's forest cover which dropped from 50 per cent in 1970 to 37 per cent in 1987 and has dropped still further since. Increasing banana production has also been very destructive to the environment. Huge amounts of chemical fertilizers and pesticides have been used, which are washed into the rivers and end up in the sea - leading among other things to the destruction of coral reefs - 90 per cent of these having been annihilated in some areas.[21]

Walden Bello shows that structural adjustment programmes have led to the same sort of environmental destruction in Chile, Ghana and in the Philippines - one of the most structurally adjusted countries in the world. Among other things, the forests, soils and coral reefs of that country have suffered terribly in the last 20 years, as have its mangroves, which have been systematically converted into prawn farms geared to the export trade, their extent having been reduced from the original 500,000 hectares to a mere 30,000.[22]

The relevance of the experience of countries subject to SAPs is clear if we consider that by signing the GATT Uruguay Round Agreement we have in effect subjected the entire world to one vast structural adjustment programme.

Cross-deregulation

More effective than deregulation carried out by national governments within their own country is that which is conveniently imposed on them by their trading partners under the GATT Uruguay Round Agreement. In the EU's April 1994 Report on US Barriers to Trade and Investment, it is suggested that the commissioners should seek to overturn a large number of Californian and US Federal environmental laws which it is felt can successfully be classified as GATT-illegal trade barriers. These include, in the first category, California's Safe Drinking Water and Toxic Enforcement Act (proposition 65) which requires sticking warning labels on products containing known carcinogenic substances.

Among the Federal laws targeted are the "Gas Guzzler" and other taxes which aim at encouraging the production of small, more cost-fuel efficient cars, which is of course essential if we are to reduce pollution levels in cities and more important still if we are to cut down on greenhouse-gas emissions.

Other Federal laws which the European Union hopes to overturn are the Nuclear Non-Proliferation Act and a number of laws designed to protect fish stocks by limiting the use of large-scale drift nets and other devices that lead to the overexploitation of fish stocks.

A US Federal environmental law that the World Trade Organization (WTO) has already declared GATT-illegal is the Marine Mammal Protection Act (MMPA) which limits the number of dolphins that can be killed when fishing for tuna in a country that exports tuna to the US. Mexico successfully challenged this act before a GATT panel in 1991, though the panel decision was blocked on technical grounds. Since then the World Trade Organization

set up by the GATT has declared the act GATT-illegal, hence repealing this important environmental legislation.

It has been estimated by the US chief negotiator at one of the UNCED prepcoms that 80 per cent of America's environmental legislation could be challenged in this way and most of it declared illegal before WTO panels.[23]

At the same time, the US and other countries can conveniently challenge European Union environmental laws in the same way, as indeed they are doing. Already the US has successfully challenged the legality of the European Union's decision to ban the import of beef from America that contains growth hormone residues. A WTO secret panel has thus ruled to repeal yet another important piece of environmental legislation, and this is only the beginning.[24]

Harmonizing standards

Free trade has been institutionalized by a series of free-trade agreements, such as the FTA between the US and Canada, NAFTA and GATT. It is important to realize that these free-trade agreements were designed and promoted by associations of business people, for whom environmental regulations are no more than costs that must be reduced to the minimum.

Not surprisingly, from the very start of the different negotiations that led to the signing of these treaties, the environmental issue has, when possible, been avoided altogether. The Canadian government sought to justify this in the case of the FTA by insisting at the time that "it is a commercial accord between the world's two largest trading partners. It is not an environmental agreement," and "the environment is not therefore a subject for negotiation; nor are environmental matters included in the text of the agreement." As Steven Shrybman comments: "This is an astonishing statement, in view of the fact that the agreement explicitly deals with such issues as energy, agriculture, forest management, food safety and pesticide regulations, matters that could not bear more directly on the environment."[25]

Nor is it surprising that the very word "environment" appears nowhere in the mandate of the GATT, nor is it mentioned in the constitution of the WTO save in a very cursory manner in the preamble.

Public pressure has, of course, forced the bureaucrats to take some notice of environmental issues, and there is even talk of "greening the GATT". But, whatever the rhetoric, when it comes to adopting environmental standards that will increase costs to industry, they are invariably rejected. Thus in 1971 the GATT secretariat stated that it was inadmissible to raise tariffs so as to take into account pollution abatement costs. In 1972 it refused to accept "the polluter pays principle", even though it had been adopted by the OECD Council that same year. Shrybman summed up the situation at the time in the following words: "GATT is being renegotiated with virtually no consideration of its environmental implications. The governmental institutions that have responsibility for trade negotiations have no mandate to address environmental issues, nor the expertise to do so. Environmental organizations are neither being consulted nor being given an opportunity to comment on the various proposals that are being advanced by their respective governments. Instead, participation is restricted to large corporations and trade associations which pursue an agenda of economic growth, profit maximization and deregulation. The shroud of secrecy which surrounds trade negotiations

allows these objectives to be advanced in private and without regard to their environmental consequences."[26]

It is thereby not surprising that the international standards for food safety set by the Codex Alimentarius [a little known UN Agency that now fixes international food safety standards in accordance with the principles established by the Agreement on the Application of Sanitary and Phytosanitary Measures (SPM) and the Agreement on Technical Barriers to Trade (TBT)] are not designed to influence countries to raise their still pitifully lax environmental standards, but on the contrary, to lower them still further so as to reduce costs to industry. Thus 42 per cent of the Codex standards for pesticides are lower than EPA and FDA standards. Fifty times more DDT, for instance, may be used on peaches and bananas, and 33 times more DDT may be applied on broccoli.[27]

Such EPA and FDA standards are thereby considered too strict, and can be challenged, as almost certainly they will, in the interests of the international harmonization of standards. On the other hand, standards cannot be challenged on the grounds that they are too low and they do not reflect the true environmental costs of destructive corporate activities.

As Ralph Nader puts it: "The international standards provide a ceiling but not a floor for environmental and health protection."[28]

It may be argued that governments can theoretically set standards that are higher than the WTO standards - but only if they satisfy a number of conditions that are so designed as to make it virtually impossible to avoid their being classified as non-tariff barriers to trade, and hence as GATT-illegal. Moreover, the conditions are vague, and thus subject to all sorts of interpretations, and since the WTO Dispute Resolution Panel is largely made up of corporate representatives who meet, what is more, in total secret, it'is unlikely to come to a decision that will lead to an increase in corporate costs.[29]

Under such conditions, it must be clear that there is no way of protecting our environment within the context of a global "free-trade" economy, committed to continued economic growth, and hence to increasing the impact of our economic activities on an environment incapable of sustaining even the present impact without undergoing increasingly serious and ever less tolerable degradation.

Of course, measures could be taken to ban or at least limit activities that are particularly destructive - and channel economic development into those areas that are less so. But with the development of the global economy, even this is no longer possible - for by its very nature it must be controlled by increasingly stateless, unaccountable and ungovernable transnational corporations, that have set up, via the World Trade Organization, a new international legal system that is designed to make it virtually impossible to adopt environmental controls that could increase their costs and thereby reduce their competitiveness.

There is no evidence that trade or economic development are of any great value to humanity. World trade has increased by eleven times since 1950 and economic growth by five times, yet during this same period there has been an unprecedented increase in poverty, unemployment, social disintegration and environmental destruction. The environment on the other hand is our greatest wealth. To kill it, as the TNCs are methodically doing, is an act of unparalleled criminality. Nor can it be in anything but their very short-term interests to do so,

for, as it might be worth pointing out to their leaders, there can be no international trade, no economic development and indeed no TNCs on a dead planet.

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