



Summary

- **Opposition to IMF and WTO inspired neoliberal policies.**
- **Opposition to Trump's brand of anti-worker US protectionism.**
- **Opposition to all forms of anti-democratic Investor Court Settlements.**
- **Irish government should withdraw from CETA – 90 million EU jobs are at risk.**
- **Irish government should lobby against the EU/ Japan free trade deal.**
- **Irish government should withdraw from EUSFTA (a free trade deal between the EU, Mexico and the Mercosur bloc (Argentina, Brazil, Paraguay, Uruguay and Venezuela)).**
- **No involvement in TiSA (Trade in Services Agreement).**
- **The promotion of CETA-free zones by local councils.**
- **Government should explain how proposed trade agreements undermine democracy and endanger our health and environment.**

Introduction

International trade is one of the key channels through which neoliberalism has been developed worldwide. After World War Two, the ruling elites in both the US and the UK were anxious to develop a set of international organisations that would re-establish the dominance of western capitalism.

Following the Bretton Woods Conference in 1944, the International Monetary Fund (IMF) the World Bank and the General Agreement on Tariffs and Trade (GATT) were established. In 1995, the GATT was superseded by the World Trade Organisation. Collectively these organisations have become the bedrock of global neoliberalism across the world.

People Before Profit welcomes progress and we are certainly not against trade and social interaction. Our problem is with the nature of trade in a world dominated by major corporations and their supporters in the IMF and WTO.

Since the late 1970's, international trade agreements have been used to increase the power of capital at the expense of workers, the poor and the environment. Each new trade agreement deepens the liberty enjoyed by big business and puts ever greater pressure on workers' rights and the natural environment.

The latest round of these trade deals is embodied in a number of regional initiatives such as the Canadian European Trade Agreement (CETA) and, the currently stalled, Transatlantic Trade and Investment Partnership (TTIP).



Like the WTO Rules and the IMF's Structural Adjustment Policies these deals place market based profits above the health and welfare of people, working rights, the welfare of animals and the health and sustainability of the environment. For these reasons, amongst others, People Before Profit is strongly against them.

The Trump Effect.

Donal Trump represents the wing of American capitalism dedicated to protectionism and/or the renegotiation of trade agreements to grant further benefits to the USA. The free trade regime was largely built by the US and supports the interests of American capital. Despite these advantages, however, American capitalism has lost ground over many decades and Trump thinks (wrongly) that international trade is to blame. Because of this, he is acting against the interests of most US corporations by stalling new trade deals. This has created tension and contradictions between the US political administration and the US ruling class. One effect of this is the shelving of TTIP. Another is the scrapping of a free trade deal with Asia. However other trade deals are still being progressed.

Neoliberal Trade Deals.

The EU-Japan economic partnership agreement is still under negotiation for example. More ominous still, is the fact that CETA has been ratified by the European Parliament since February 2017 and came into effect, provisionally, in Ireland on the 21st September 2017. Behind the shiny PR, CETA is designed to increase inequality and undermine democracy. For these reasons CETA has generally been extremely unpopular. It was put together by Canada's right wing government with input from large corporations, many the subsidiaries of US multinationals. CETA has the potential to undermine labour rights, environmental standards and a whole host of other important regulation. In Ireland opposition comes from organisations including

- An Taisce, The National Trust of Ireland
- Coomhola Salmon Trust, Ireland
- International Small business Alliance
- Social Justice Ireland
- Friends of the Earth
- Irish Cattle and Sheep Farmers Association
- Irish Congress of Trade Unions
- Environmental Pillar
- An Claoimh Glas, Ireland
- Attac Ireland
- Green Foundation Ireland
- Sustainable Water Action Network SWAN



- The Technical Engineering and Electoral Union

Even so, the Irish government is happy to agree to this on our behalf. This will cause many problems, some of which are listed below.

ICS (Investor Court Settlement)

Investor Court Settlements will allow a court system outside the normal court process, to enable multinationals to sue sovereign governments when policies impact on profits or expected profits. It is completely unacceptable that a trade agreement allows investors to avail of a special tribunal to sidestep ordinary court procedures. This undermines democracy and allows governments to be sued for bringing in green taxes and raising the minimum wage among other regulations. In short multinationals are allowed to dictate policy.

Regulatory Chill

Under CETA, there are no limits to the amount of compensation awarded by a tribunal to an investor, using the ICS mechanism. Therefore, governments when looking at policy reform will feel obliged to take trade obligations into consideration. By these methods government decisions can be reversed and changed without the interest of the public in mind.

Precautionary Principle

At present EU standards for food production, environmental and animal welfare are higher than those in Canada. Practices allowed in Canada, such as chlorinated chicken, the use of hormones in beef production and GMO's are restricted due to the precautionary principle (PP). The PP places the onus on the producer to ensure their product is safe. This also means that the product can be removed from the market if deemed unsafe. This principle is tied into European law, whereas in Canada it is subject to continual challenge. Serious concerns have been raised by food and health organisations, environmental groups and trade unions as to the undermining of these safety standards. The precautionary principle is not mentioned in CETA. Attempts to produce sustainable, locally produced food will be severely under threat. Small farms, already finding it difficult to compete will disappear completely, replaced with factory farms and the horrors associated with them.



Undermining Public Services

CETA and other trade agreements threaten privatisation and commodification of essential services such as health, education and water. Under CETA a 'negative list' determines market access to public services. This means that governments can only exempt services that they list at the time of the deal, meaning whatever privatisation is currently in place will be locked in. **Ireland does not currently have healthcare and education listed for protection.**

Worker's Rights

The EU Parliament's employment committee predicts that 90 million jobs will be at risk, in small businesses, due to CETA. The rights of workers and trade unions are totally out of balance when compared to the rights of investors. Intentions are set out for labour rights, but there is nothing in place to enforce them. Workplace rights are not protected under CETA as a violation of them will only result in a process of discussions which are non-binding. This can only increase labour market flexibility and precarious employment.

Environment and Health

There are a number of environmental and health risks

- **Tar sands oil extraction** is one of the most destructive fossil fuels. This method is 23% more carbon polluting than conventional oil and most extraction takes place in Canada. CETA will open the door to the importation of crude tar sand oil into Europe, meaning that it will be produced and mixed with lighter oil in Europe. This so-called 'regulatory cooperation' really means a reduction in standards that are considered an obstacle to trade.
- **Fracking.** North American energy giants are waiting in the wings to begin fracking in Ireland. American companies based in Canada can challenge fracking bans through the mechanism of CETA. If fracking starts in Ireland it would be very difficult to stop even with the known dangers. Fracking impacts on public health, the environment, and farming and contributes to climate change. This trade agreement will mean that the public will take the hit on environmental damage and health risks and may have to pay compensation if the local communities choose to stand up and say no to these companies.
- **Undermining the Precautionary Principle.** A new type of insecticide called 'neonicotinoids' was brought into the European market during the 1990's. These made many areas toxic for bees, bats and other animals and plant life and stayed



on the land and water for many years. The precautionary principle allowed a short term ban on neonicotinoids and since this ban the bee population is recovering. CETA may undermine this undermining good work done in Europe.

- **Human health.** Endocrine disruptors (ECD's) are chemicals that are linked to a wide range of diseases, including cancer and birth defects. They are in many everyday products. The EU chemicals and pesticides regulations recommend that they are banned but CETA is encouraging a 'science based approach' rather than the precautionary principle for dealing with the issue. This is effectively a smoke screen and is highly industry lobby based.

Finance

CETA allows the financial sector to influence decision making in financial regulation and legislation. This has the capacity to weaken financial legislation which is aimed at protecting people and the economy from economic irresponsibility and crisis. It will weaken rules that prevent banks from becoming too big to fail.

CETA Free Zones

Across Europe 2,100 local governments have declared themselves CETA free zones. Wallonia, a region of Belgium, opposed and highlighted the dangers to humans and the environment, and the threatening aspect of the Investor state dispute settlement mechanism.

Across Europe, millions of people, NGO's, trade unions, environmental groups and food and animal welfare organisations oppose CETA. People Before Profit stands with these people against the damaging effects of neoliberal trade deals.