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*A long-time advocate of accountability in trade offers a colorful assessment of the similar positions on trade espoused by the Clinton and Bush administrations, challenges the argument that globalization in its present form is inevitable, and talks about the impact of the September 11 on the anti-globalization protest movement. This interview was conducted in late 2001, prior to the U.S. Senate's passing of the Fast Track legislation put forth by President Bush.*

## **Wallach's Road to Activism: Trade Agreements and Consumer Protection**

INTERVIEWER: You started off working as a lobbyist, trying to work within this system, trying to make the system work to adapt to what you believed. But on a personal level, how did you become an activist against globalization? From your own background, how did that come about?

LORI WALLACH: Well, I'm a trade lawyer by training, but an activist by necessity. What ended up happening is I was actually not wanting to do traditional law, so I came to a consumer group and started working on food safety. As I was working on food safety, pesticide bills, meat inspection, lobbyists from different corporations would be testifying at hearings, and they would say things like: "You can't improve those pesticide laws, not under the GATT [General Agreement on Tariffs and Trade] or NAFTA [North American Free Trade Agreement]. And Codex Alimentarius [a set of food-safety standards adopted by the World Trade Organization (WTO)] isn't going to allow that beef-inspection bill." And I'd think, what are they talking about? I'm a trade lawyer—GATT is supposed to be about tariffs and quotas. What are they talking about pesticides and meat inspection? So I heard this over and over enough times, and it didn't seem like the corporations who should be fighting us on the food-safety bills were fighting us face to face. I started to get this feeling ... that there was another door; I was guarding only one door to the bank, and someone was ripping off the loot through another door. So I started snooping around, and after I'd heard "GATT" and "NAFTA" a couple

# COMMANDING HEIGHTS

Lori Wallach

2

of times, I started thinking, there's some international negotiation going on that's going to undo all this food-safety stuff I'm trying to do here in the Congress, and where the heck could it be going on?

So the long and short of it is, as I was snooping around, I bumped into perhaps one of the 10 or so people [doing this] at this point, and we all had the same light-bulb situation: Ding! Something I've been working on domestically for my whole life is suddenly... The game is changing, but where has it gone? Someone had gotten a copy of a very early draft of the World Trade Organization agreement—at that point it was the GATT—and word was going round. So someone had this draft, but they didn't read GATTese. Now, having been trained as a trade lawyer, I was fluent in GATTese, so someone hooked me up with that text, and I started looking at it. It wasn't about tariffs and quotas anymore; it was hundreds of pages that effectively put handcuffs on domestic governments' decisions about their social priorities, the level of food safety or environmental protection. The kinds of development policies that, for instance, made the U.S. and Japan and Europe powers, were now being taken away from the developing countries. The more I kept paging through it I thought: "Oh, my God, it's like Reagan and Thatcher gave up on their own capitals and went to Geneva. Look at this—it's the whole kit and caboodle."

Well, the food-safety stuff was what I obviously knew best at that point, because in reading it I knew what it would do to the bills we were working on. Not immediately, but after some work, I convinced this organization that we'd better open up a front of our advocacy in these trade agreements, so I spent a gruesome amount of time in Geneva, speaking only GATTese, removing the comma and adding "and/or," removing "this," adding "that," to different drafts of what was just the food text of the WTO. To say that it was dismissed would be a gentle description of the treatment that I received, I or any labor or human rights or environmental activist or scholar or lawyer. There were just a few at this point who were there who got *any* response. So after two years of smashing my head against the wall, with very technical GATTese descriptions of "If you don't want to entirely sack the very basis of the public interest in food safety, please change these 20 things," and once I was chucked onto Lake Geneva one time too many, I realized this is not a legal problem; this is a power problem: They actually want to do this bad stuff ... they being the WTO and the countries and companies who are really in the driver's seats of their organization. They are not making a mistake; this is

intentional. In fact, this is a way to move an agenda we have beat and tied into knots in the U.S. Congress, and this is something we have to get activist about. It's not just fixing the language.

### **Free Trade: Help or Hindrance to World Peace and Stability?**

INTERVIEWER: When we interviewed Bill Clinton, he said that during his time in office he thought, because of lots of geopolitical changes, the end of the Cold War, and emerging democracies, that the best way of securing the markets in a lot of these former communist developing countries was to integrate them into a global economy through trade. Trade, he said, is the leading edge to creating a more secure, peaceful world.

LORI WALLACH: Well, the reality has proved that actually, in many of the countries that are the great trade successes, that are the most integrated into the global economy, not only has democracy not flourished, but in fact, it's [succeeded the most in] places where democracy has been suffocated to death, like Singapore, which on any rating is the world's most globalized county, and is [also] a repressive place, where among other things you have no right to any demonstration, and if you say boo about the government you end up in jail, if you're lucky. There's a whole set of different countries which have more or less followed the prescription of liberalization, free trade, deregulation, and certainly there's no example of someone suddenly becoming a blooming democracy. There are some examples of either corrupt or undemocratic governments being able to get richer and richer and, as a result, suppress more and more of an opposition movement.

In a way, the irony is that, particularly in the developing world, so much of the outcome of following this prescription that people were told would be the path to salvation—deregulation, free trade, liberalization—actually caused increasing social instability and upset. The basic structures of society in agrarian countries were ripped up, but there were no safety nets; there was nothing like a welfare state. Your village and the basis of that agricultural community, which may or may not be the way you want to live your life, but is [the way you live it], and there's nothing between here and there, when suddenly boom! rice is free trade, and guess what? It's being dumped from Thailand into whatever this country is, and your whole village suddenly has nothing to do, and you can either buy it with cash—but you have no job—or you can go hungry. ... And the uprooting, the "let's head to the city," the lack of

social services, the privatization of the few government social services that existed, so that there are now suddenly fees for services, and poor people can't get any medical service, can't go to school—those kind of disruptions in many countries are actually at the root of the disruptions, and for that matter the anti-American feeling, because we're seen as the symbol of it, the U.S. Because it was our government, our corporations, our military, we have the IMF in Washington, D.C., we're the symbol of that whole thing. It was politically advantageous for many very powerful U.S. interests to make the rest of the world suck it up, and they could claim it was democracy, claim it was for peace [when in fact] it was for their special interests, and now all these downsides are coming out, which is why there's this growing movement against that model.

## **Clinton and the Shift in the Democratic Agenda**

INTERVIEWER: We're focusing on the Clinton administration for much of the film. You're here working in Washington; it was a Democratic administration. The president was elected to deal with the economy in '91, '92. I presume that some of your personal views would coincide with the Democratic Party's. Watching this happen, what was your sense of why it happened, and how did you feel about it?

LORI WALLACH: Okay, let me think about how to say it passionately without using every foul word I know. ... The first thing I would say about the Clinton administration is that there would have never been any crazed NAFTA agreement passed through the U.S. Congress if it hadn't been for the Clinton administration. Democrats in Congress wouldn't have trusted [the first President] Bush, and they would have stood up, knowing what they knew from the paper, and not bought into the promises that Clinton gave and then reneged on, and there would have been no NAFTA. If there'd been no NAFTA, they probably wouldn't have finished the WTO agreement, because that was the power, the leverage, the momentum that was used to push that. This is a practicality matter. Ironically, perversely, a whole array of what would be considered the opposite of the Democrats' core agenda of economic justice, human rights, pro-environment, pro-food safety, that whole agenda got clobbered through these instruments of globalization, like NAFTA and WTO, because of the Clinton administration.

Now, no doubt the Bush folks would have done plenty of bad stuff if Daddy Bush had gotten reelected, but on this front of globalization, it was like Nixon going to China. Clinton was going

to have to be a Democratic president to try and use the Democratic Congress that would otherwise stand up for all the things and these agreements would tank, and if they hadn't had a Democratic president promising them, "Oh, no, don't worry—it's not really going to do blah, blah, blah," we would have sacked NAFTA, and there never would have been a WTO. Now, what's happened is in 10 years of living with the results of these agreements, the whole majority of Democrats are back where they were before Clinton tried to seduce them, because there's a real-life record, and they're all saying: "Ach! Why wasn't Clinton right? NAFTA—what a disaster. It sacked this environmental law, this food-safety problem." They're living with it. There's no one to rely on. They've seen the writing on the wall. But they all went through a period where they thought: "Hey, he's a Democrat; we must just be misunderstanding. This can't be as bad as it looks...."

INTERVIEWER: Why did he do it?

LORI WALLACH: I have been asked that question over and over, and there are a variety of answers. I go between the really, really, really, really rotten and cynical to the fairly rotten and cynical, because the range of possibilities does not allow for any neutral interpretation. Clinton and his whole crew are smart people. You could say there is always a sort of idiocy factor where you believe in a theory, and there's a gap between [the theory and the practice]: "I'm for free trade, but what does this set of rules actually mean for the following values I support?" With those guys you don't have to worry about that. They had enough smart people where it wasn't sort of clumsy; it wasn't a mistake. ... I think the clearest understanding of what happened was that Clinton saw himself as having as his constituency not the working people and the environmentalists and the small farmers who'd elected him, who were the core of the Democratic Party, but rather he really did the bidding of a handful of very big corporations, Wall Street, and the bond world. He was extremely eager personally to be accepted by this sort of political and intellectual foreign-policy elite, and you take those financial things, and add that psychology, and you have the catastrophe of Clinton basically seducing the congressional wing of the Democratic Party into buying into a set of policies that if anyone else—a Republican, for instance—had brought up, there would have been hell to pay. They would never have gone for this. They would have looked at it as an attack on the entire core of their values, which it was.

**"Trade Über Alles": For the WTO, the Market Comes First**

INTERVIEWER: If you think of the trade system that we have now ..., how much of that is the result of forces that have been going on since the end of the second world war, and how significant was Clinton's pushing that, in the big picture? Would a lot of this happened anyway?

LORI WALLACH: The Clinton administration and the policies that they were able to ram through a Democratic Congress have, with no exaggeration, transformed the previous status quo, which was a multilateral trading system called GATT, into what is really a global body of deregulation of domestic standards, of limitations on government priorities, a whole antigovernment agenda that theoretically should be the opposite of what they were elected to deal with. And if you compare the old GATT, which was the rules under which trade occurred ..., it was based on basic principles, like you should treat your own goods and foreign goods the same, called no-discrimination, or most favored nation: Whatever you give to one guy in this trade agreement, you have to give the same treatment to everyone in the trade agreement. And those broad principles, which are useful, are the way you basically create assurances and security so you can trade, when it's beneficial, across borders and know what the rules are. It cut the tariffs, and goods flowed.

You go from that, and GATT turns into GATTzilla. The WTO is a totally different thing, and it really is a monster. GATT, which is itself an agreement, becomes subsumed as one of 23 agreements enforced by a body called the World Trade Organization, and those 23 agreements now contain enforceable rules on the international level on a whole set of issues that the trade rules have never touched. So, for instance, there are rules about the level of food-safety protection any signatory to the trade agreement is allowed to have. It doesn't matter if those food rules treat domestic and foreign food the same; it goes beyond the trade issue. It's not about discrimination; it's about [whether you] can ban DDT. The actual WTO standards, which are those of the Codex Alimentarius, still have a standard allowing DDT residues on dairy, meat, and grains. Give me a break. What's that got to do with trade? As long as you treat domestic and foreign goods the same, it's no one's business. Or the WTO agreement on trade-related intellectual-property measures basically is like a great protectionist racket. As a trade lawyer who also works in a consumer group, [I'm] always looking for things hiding in trade agreements that really are protectionism.

Well, here it is. One of the whole chapters of the damn WTO [agreement] is an incredible racket that sets up a 20-year monopoly on worldwide marketing rights for any pharmaceutical or technology that's patented in any one of the WTO countries. Now, most of the developing world did just like the U.S. did vis-à-vis Europe: They knock off technology; they make compulsory licensed drugs. We did the same thing to Europe; and Japan, by the way, did the same thing to the U.S. and Europe. That's how we developed. It's how we provided medicine for people. Well, right now, under the WTO, you've got the *über alles* protectionism agreement for this intellectual property, which means people in Africa die of AIDS because it's now a monopoly marketing right of two or three worldwide pharmaceutical companies who decide who can get the drugs. That is crazy, but that's one of those 23 agreements that's in this new monster enforced by the WTO. Another agreement covers government procurement. Most people don't realize it, but their local tax rules and how their local tax dollars are spent have a whole set of rules set by WTO that outlaws the buy-America rules and that outlaws any kind of value put in, except the commercial value.

So, you know, all those laws that people sued to have where you don't do business with whomever—[let's say] Nigeria—because of the human rights problems, you're not allowed to do that anymore. In fact, Massachusetts's ban of procurement with Burma was attacked at the WTO. You're not allowed to look at those human values, only commercial, so all these new issues—education, health care, and water-provision services—are now covered, and there are regulations about how you can do domestic regulation of services, and in all of this they add this value. So it's not objective standards, like "Treat everyone the same"; it's subjective, and the subjectivity is trade *über alles*. The market always comes first, and if you translate that out practically, for instance, there are rules in the WTO agreement that have standards, like there's a test called the least trade-restrictive test. Every domestic standard, even if it's aiming at a goal the WTO permits, must be proved to be the least trade-restrictive way to obtain that goal. It's a means test. Well, imagine if in your domestic law you had, for instance, the Ralph Nader-loves-it-best test that had to be applied to every corporate tax bill. You pick your priorities, and you don't mix them, and here you just put trade *über alles*.

### **GATTzilla, Flipper, and the Growth of Global Unease**

INTERVIEWER: In the mid-90s, we saw this huge expansion of trade laws, the WTO, and we were talking before about the growing unease that some people felt. Where did that unease

# COMMANDING HEIGHTS

**Lori Wallach**

8

come from in terms of the average guy, beyond NAFTA—for the average person who didn't lose a job because of trade agreements, who just felt a bit of "What's going on with this world?"

LORI WALLACH: Well, before people got uneasy, there was another phenomenon, which is that there has been this ongoing public-relations campaign that this version of globalization is inevitable. Its proponents and beneficiaries, a narrow category though they may be, have done a very good job in putting out that pitch. What I think happened for a lot of people simultaneously was their encountering the downsides and realizing that Moses did not actually come down from Mount Sinai with the WTO. This was actually an act of man, not an act of God nor of technology. It was one set of rules, and as people were starting to see what the outcome of this model of globalization was, they were getting empowered simultaneously by realizing: "Hey, I don't have to live with this. These are the not the rules under which I want to live."

The way this happened was different for different people in different countries. You can ask people in the worldwide globalization movement, "What did it do for you? When did you get it?" And it's different things. For a lot of people in the U.S., it was the day that GATTzilla ate Flipper. I gave it that name, because if you otherwise say a GATT ruling under Article 20B which is against extraterritorial unilateral market access PPR restrictions, people [will start to] snore. ["How GATTzilla Ate Flipper"] basically was a case where the U.S. was told our extremely successful Marine Mammal Protection Act was a violation of trade rules. The thing that was crazy about this was number one, this law had incredible popular support, had been very effective in reducing the number of dolphins killed in the catching of tuna fish. For everyone of a certain age, which is basically everyone my age and down, you probably wrote postcards, because I remember doing it as a little kid in the '60s, saying: "Please save the dolphins. I refuse to eat another tuna fish sandwich until blah, blah, blah." Well, we won. It took until 1970, but they passed that law, and it worked. That law treated domestic and foreign fishermen the same, and domestic and foreign tuna the same. The rule basically was, as long as you catch it with a thing that excludes circling dolphins and drowning them, sell it here—same treatment; it doesn't matter where your boat is licensed.

# COMMANDING HEIGHTS

Lori Wallach

9

Well, the WTO basically has a rule that says that you can't treat products differently according to the manner in which they're produced. It's called the Process and Production Rule. So under the WTO, for instance, this shoe can be produced in Maine in a co-op with a 100 percent OSHA rating and no pollution whatsoever, or it can be made in a sweatshop in Bangladesh, with children missing limbs chained to machines. Under WTO a shoe is a shoe is a shoe; as long as it's physically a shoe, you cannot treat it differently. So a tuna is a tuna is a tuna, and it does not matter if one of them is caught drowning Flipper and one of them is caught in a Flipper-friendly way; you cannot distinguish. Well, the GATT, the WTO's predecessor, ruled on this, and people across the country started saying, "Oh my lord, GATT, GATT—what is that doing to our Flipper law?" So "GATTzilla Ate Flipper" was really a breaking point. For a number of organizations beyond the environmental movement, they started saying, "Goodness, that law wasn't discriminatory; that didn't really have anything to do with trade; couldn't my good-labeling law also run into that?" It's almost like, "Isn't my procurement law that the church group worked on going to run into that?" And someone else would say, "Oh my God, that safety-labeling thing we did about kids' toys, that's going to run into that." Everyone started waking up.

There's been a series of cases since. The WTO has ruled against regulations of the Clean Air Act. So if you were in one of those cities in the country that had the dirtiest air, and as a result you had to use reformulated gasoline, suddenly out of the blue you have some guy in WTO, who's never been elected, this bureaucrat announces that basically you no longer can insist that the gas is as clean as it was. To bring it really down to home, you're a mom whose kid has asthma, and you're in Los Angeles, and suddenly some trade bureaucrat in Geneva who you didn't even know existed, you didn't know your country was a member of this thing, you didn't know WTO, you thought it was the name of a radio station, and all of a sudden you're being told that your kid's asthma attacks have increased. Why? Because the doctor said they're no longer using reformulated gas. Why? Because some wiseacres in some organization you never voted for have decided that's an illegal trade barrier. And so all of a sudden we have moms from all over these non-containment EPA smog cities on the phone to us saying, "We understand you have a trade lawyer there who speaks English. What's the WTO?"

So it's been different issues for different people. If you care about genetically modified organisms, for GMO foods, WTO has been on a collision course with the rights of consumers to

decide what they're going to eat.... There's a famous case where the WTO ruled that a ban on beef hormones is an illegal trade barrier. They've gone after eco-labeling of foods; they've gone after genetically modified-organism labeling, because again, if it's similar physically, you can't distinguish on the process. So on all these different issues that hit people's lives, that's what got them.

If you're in the developing countries, it was even more immediate, because in the developing countries, the WTO was like the last nail in the coffin. The WTO and NAFTA, as my partners from the developing world say to us: "Oh, it's your turn; it's structural adjustment for the rich countries. Hey, we've had this for 20 years; let's tell you what's going to happen in the five-year period and the 10-year period." And so for the developing countries, under the rules of the International Monetary Fund [IMF] and the World Bank, they are allowed the same paradigm of liberalized trade: Deregulate domestic standards on the service sector, on goods, on environment, on the labor market, etc. Privatize all those same rules that are incorporated in the WTO text. And it's 900 pages of rules that tell you how to run your whole damn government—federal, local, state, the whole thing.

So these rules were already imposed on a lot of the developing countries starting in the '70s. So for them, when the WTO came around, they were already suffering from the results. They had seen forced privatization of their health care system; they had seen some IMF official announce that "You know, we're really sorry; we understand a lot of people are dying of malaria, AIDS, whatever.... We understand your governments are making [medicine accessible] because people are dying, but [we want to make money on it], and that's a violation of intellectual-property rules." So they'd been through this. ... For the rich countries, for those of us in the U.S. and Europe, the WTO and NAFTA was our wakeup call, having those rules imposed on us and then living with the results. Many of us had cared about what was happening in the global South, but now we were living it, and that's why there's a unified opposition movement from rich and poor countries.

## **The Anti-Globalization Movement, Pre-Seattle**

INTERVIEWER: Where did the anti-globalization protest movement begin? It seems that it exploded in Seattle in the popular consciousness.

LORI WALLACH: For many people in the U.S. and perhaps Europe the real wakeup call about the WTO was Seattle. But the protest in Seattle was the representation, maybe the coming-out party of a movement that had been building for almost 10 years, a movement that was much more visible in many of the poor countries around the world, [where there were] massive million-people rallies against these same policies imposed by the other legs of the globalization juggernaut, the IMF and World Bank. So for many rich-country television watchers, suddenly it was "Oh my gosh, I was wondering what happened to our Endangered Species Act thing on turtles." That thing called WTO got it, according to all those people walking in the street in their turtle costumes.

That's how it happened in the U.S. and Europe. But in the poor countries, people were really turned on to it already. In fact, the birth of this international coalition might be traced back to [around] 1992, when the G7 was meeting in Munich, and some of the people who are now the leaders of national movements—and we all work in a very tight international coalition—we all met for the first time in the basement of a church in Munich. A lot of us had the same experience. We were basically saying, "I think that there's a big thing going on, but my local environmental, labor, consumer, whatever partners all think I'm paranoid." And then the guy from X country would say, "Yeah, I'm having the same problem; they all think I'm nuts, but I really think there's something here." And then the guy from Malaysia would say: "You're totally onto something. You know, when they first started structural adjustment no one believed that it could be this bad. But now 20 years later, our whole country's into it, and we don't like it." So we all started both as a matter of strategy, but also as a matter of personal support, to begin learning and analysis and sharing information. We started to work together, and the first operational success was in 1997, where this coalition of groups stopped a very controversial proposed global investment treaty called the Multilateral Agreement on Investments [MAI]. You could think of it as basically NAFTA on steroids for the whole world. This was an extreme proposal.

We had a big coalition of developing- and developed-country organizations. The way we work is we have country-based campaigns which are cross-sectoral, according to the political culture in your own country. So in our country we have labor, consumer, environmental, family farms, civil rights, religious groups, the women's movement, and the human rights groups as part of our coalition. There are different groups in different countries according to

their politics. Then those cross-sectoral country-based coalitions are linked internationally with their counterparts around the world, because we all understand that where we have credibility, where we have legitimacy, is now in political systems. One of the issues about the WTO is it's like a big political marshmallow; there's no one to hold accountable. Something horrible is done by the WTO and you go "Pop!," and it's like, "Phzzz"—nothing there. "Pop," "phzzz"—whoops, nothing there either. It's your own government. So we all start focusing on the governments. Obviously we track the institutions, but we start focusing on the governments and the legal instruments. By doing that, and by going country by country, making country-based demands and working internationally to do that, we basically made it impossible for the usual game of footsie to occur when we each had a pinkie toe of our negotiators locked down on that investment agreement.

So when they got in the closed room, they no longer could just get together and give away all of our domestic interests, and it was [as a result of] that work through the MAI campaign which we then in 1998 turned directly into a "WTO: No New Round" campaign. So we actually started a year and a half before Seattle. The protests in Seattle were the icing, but that was a cake that took a year and a half to bake. And we sat down as organizations representing our country-based campaigns. We negotiated what our demands were. Our demands were basically that the WTO should be reviewed and repaired, not expanded. The Uruguay Round itself was a great cause of indigestion, pain, and suffering. The data had come in that there was a lot that had to be chucked overboard, new stuff that had to be done, things that needed to be fixed, etc. So our call was "No New Round, Turnaround"; i.e., fix what you've got, don't expand the round. And we worked for a year and a half, country by country, sharing information, coordinating over numerous days of action.

By the time we got to Seattle, an enormous amount had already been done as far as building campaigns in our countries. So if you're in Europe, there's a grassroots campaign before Seattle about genetically modified foods ... which is a really hot issue there. If you're in the U.S., there are issues about environment or labor and the investment issues; the specter of the MAI lurking was an issue. We got commitments from members of Congress, who then got commitments from the negotiators, which finally put some accountability on the negotiators. In Japan it was this issue; in Malaysia it was that issue; in India and Africa it was a lot about the intellectual-property issues. And so we all had commitments from our governments. So

[it's in Seattle that] for the first time they get behind closed doors, and actually there's some vague amount of accountability by the people they're supposed to have been representing all along actually over them.

Plus, the one upside of this whole difficult, rambunctious, huge international coalition is it's really hard for anyone, corporate or WTO negotiator, to go almost any place in the world that we don't have a friend who watches, who looks in the local newspaper and e-mails to our incredible list of contacts, so that when the U.S. negotiator has said, "Don't worry, Congress; I would never go for an investment agreement and the WTO in Seattle," and meanwhile then goes off to Japan, which wants this agreement, and says, "Hey, if you give me some eggs, I'll give you some investments," before that person has even walked out of the agriculture minister's office in Tokyo, there's an e-mail across here, because the secretary has sent a news clip, it's translated, and we send it off. And the member of Congress is calling that negotiator on a cell phone saying, "Hey, I understand you had something to say different than what you're saying for domestic consumption." So now there's that kind of accountability going towards negotiations. It was never perfect, obviously, because they almost made a negotiation. But agreements that different political parties and governments had made at home, that was really the year and a half of work to the extent the NGOs [non-governmental organizations] contributed. That was because a lot of governments had said, "Hey, there's some things I just can't give up." And then the protests were just enzymatic.

### **Fast Track**

INTERVIEWER: Let me just back up a tiny bit regarding Clinton and the Fast Track. I don't want to get too bogged down on what Fast Track is, but just in terms of this agenda being advanced, the loss of Fast Track was a hiccup for them, and then at Seattle you had, not a change of policy, but certainly a change of rhetoric from the president. Talk about that evolution of his reaction to your counter-reaction.

LORI WALLACH: The sacking of Fast Track was no hiccup. It took multiple years to deal with, and actually it's part of the only reason we had any accountability over the U.S. negotiators by the time they got to Seattle. It was a key part of our strategy. The Seattle coalition's U.S. country-based campaign had spent all of 1995, '96, and '97, basically all the years after Fast Track had expired, getting ready for whenever that Fast Track fight would come, because the

old saying is "He or she who writes the rules, rules." Well, if the rules are being written behind closed doors with the public and Congress cut out, we're going to keep on getting these bad rules. So if we have any hope of fixing these institutions, transforming these institutions, then we'd better get control of the process. So for us, ironically Seattle could become a success, because we had ensured that there was some political leverage left domestically by having defeated Fast Track, which was basically all we did. In fact, we won on Fast Track and won on the MAI at almost the same time for the first round of it in '97. Then my team basically stayed almost full time on Fast Track, and I had one person working on WTO international organizing until we boxed it and buried it in '98.

Then we all started working on WTO for the next year, because that was our biggest contribution as the U.S. country-based campaign to the entire movement worldwide. That tool will be the only way to keep a collar on the U.S. The irony of this whole thing is, and how it plays into Clinton is, for all those people who thought they never really would ever have to use the *Federalist Papers*, which they were forced to read at some point, in their education, in fact, one good piece of information in the *Federalist Papers* goes to why the U.S. Congress was given exclusive jurisdiction over international trade. Most people would say, "Wait, isn't that what the president has?" No, no, no, that's the whole point: The Congress was given that power so that an individual could not, basically by merit of being persuaded by a special interest or a particular country, give away the public interest. The idea was checks and balances. You have the executive branch to negotiate, but you have the legislative branch actually substantially, almost exclusively in charge of the policy. Up until Richard Nixon, this really was a partnership thing, and the checks and balances more or less worked.

Nixon came up with this thing called Fast Track, which could be best described as a legislative laxative that is bad for the Constitution in that it undoes checks and balances, and it guarantees that Congress is basically delegating away its entire constitutionally granted role, so that the executive branch negotiates, *and* the executive branch signs the agreements before Congress votes on them. So NAFTA was signed before Congress voted, and all Congress gets to do is vote yes or no—no amendments, 20 hours of debate at the very end—on an agreement that run 900 pages. The reason why this is all so relevant is it sets up for a legislative luge run. You can put any horrible agreement that basically undoes the entire U.S. domestic agenda on a sled and by sheer force of gravity, whoosh!—it can go through

Congress. What that means as a matter of leverage is that the public and Congress, and particularly the House of Representatives—where these guys face election every two years, so [they] have maximum accountability potential anyway-- the House is out of the loop. So your executive branch negotiators, when they're in Washington, [they'll say], "Congressmen, of course we'd never do that to you." And then when they get to Geneva or to wherever their typical WTO negotiation is, if they have Fast Track, there's not a damn thing the congressmen can do when they steamroller them. ... We campaigned like lunatics, and when it came to '99 in Seattle, with no Fast Track and a lot of accountability, they just couldn't give away the store.

### **Are Western Protestors Working in the Best Interest of Developing Nations?**

INTERVIEWER: We've talked to the president of Tanzania, to some senior officials from India, to others in the developing countries. A lot of them have serious problems with the WTO protests and anti-globalization. They say: "These NGOs and these protestors moving against globalization aren't really speaking for us. We want to be a part of the global economy; we just want to have a level playing field. But we need this to involve our people and our economy." What's your sense of that, when they say that people like you, with the best intentions, do not have the interests of these people in developing countries at heart, and that you're working against their interests?

LORI WALLACH: After the WTO's "Globalization is inevitable" campaign, our public relations started to fail. The next unified campaign [by] the proponents of the status quo was that all critics of this system are against the poor, and they're all greedy and they're rich and they're trying to maintain their happy rich-country life. I'm sad to say that a lot of the governments in developing countries, having heard this from our own governments in the U.S. and Canada and Europe, having heard this from the officials of the different international organizations, have bought into a lot of what they are told our agenda is. They've all been told that what we really want to do is keep out imports from their countries, and what we're trying to do is shut down trade altogether.... Of course that's not true. It's not an issue of no rules. We want rules; otherwise the corporations can run totally amok, with no standards. The question is what rules. So in the instances where we have an opportunity to actually sit down and say: "I am that Western NGO, and what they said we're up to is not what we're up to; what we're up to is getting rid of the TRIPS Agreement [Trade-Related Aspects of Intellectual Property

Rights], because we agree with you that you guys shouldn't have the same intellectual-property rules that rich countries like the U.S. and Europe have. And we agree with you that you should be able to use all those investment measures now banned in the trade-related investment measures agreement. We think there should be technology transfer. ... It worked for us; you guys should try it, too. We're not for pulling out the ladder." We go through the whole set of issues there, the so-called implementation demands, and suddenly they're saying: "You're for that? You're kidding. You support GATT?" So what we finally did is we wrote it down and we put together an international campaign which has been helpful in trying to clarify, but not yet successful, in [getting across] what we're for. It's called "Another World Is Possible: WTO, Shrink or Sink," and it lists all the things that we think need to be done transformationally to the existing WTO, which a, makes clear that yes, we want a world with some trade rules, but b, these ones have the following 13 really serious problems. If you look at our 13 demands, they track almost exactly with the 13 core demands of the developing countries as a block in their implementation demand.

INTERVIEWER: In your opinion, what is the role of trade? Done right, is trade beneficial?

LORI WALLACH: Trade can be beneficial both for the sake of the economy and also for people who want to get things that they can't make or grow in their own country. There are definitely good purposes and uses of trade. The problem is that under the WTO and NAFTA, trade is elevated to the goal as compared to a means towards different goals. For instance, if you as a consumer want to have more selection, or if you as developing country want to attract investment, export stuff, and get hard currency in, those are all good goals, and trade may be part of the means you use to obtain those goals. Then there might also be domestic tax policies and investment education policies, but trade would be in that basket. But under NAFTA and under WTO, and under this model of globalization, it's trade über alles; trade is the goal in itself. Just trade as a goal is silly. I mean, it can be useful, or it can be not useful; it depends on to what ends, under what rules, for what purpose. So it could be very beneficial. Under the current rules, it's getting a really bad name.

INTERVIEWER: Do you think the current rules and current system, not just for trade but global finance, are stable?

LORI WALLACH: Ha! A lot of people are very surprised at the fact that in so many countries, there are these very deep grassroots-based coalitions criticizing the status quo of corporate globalization. I think a lot of what that is about is that people, as well as having one or two experiences of something directly that the system did that they hated, they also in their gut sense the instability of it. They get indicators of it, [and] they sense it. They get indicators like big meltdowns, like the financial crisis in Asia. But they also get indicators of things like the local bank which just keeps getting merged and renamed, and your [credit] card does work and then it doesn't work and the name keeps changing every three weeks. And then the grocery store is [owned by] the guy you've known forever, but all of a sudden this Dutch company is that company, and now your cereal isn't there anymore. Some of it is just change, but a lot of it is also literally the instability where at any given moment everything you expect to be reliable is ripped up and it's gone.

Combine that with the real financial cataclysms like the Asian meltdown. A lot of people in their everyday life are seeing this sort of out-of-control scenario very personally; it's out of their personal control. To some degree, ... in the way that some of these instances of particular WTO attacks on laws or policies people really intimately enjoyed or knew about, I think that the financial crisis in Asia was also the bursting of the second balloon. The first balloon was the no downsides: Trade is good; it's inevitable; it's going to happen. The other balloon was something like: "Oh, how wonderful! Technology has just created this seamless thing where some guy in a boat in the middle of Bombay can click his blah-blah and ta-da!" All of sudden people realized, "Holy beans! No one's in charge." I mean, we have technology like airplanes, but with this as a technology there're no air-traffic controllers. You wouldn't ever just have planes, two trillion of them a day, which is how many hard investment dollars float around in currency exchanges, you wouldn't have two trillion planes floating with no direction.

We have \$2 trillion in currency exchanges going around every single day at the click of a computer, with no speed bumps, no traffic controls, and no lanes or rules of the road. So suddenly boom!—things hit each other. Well, of course they hit each other. It's like a plane crash. The technology's there, [but] it's totally unregulated. Now suddenly someone's stock for their teeny little pension from whatever it was they did, because it was based in some lunatic fund that someone decided to speculate on in Indonesia which was related to some guy who traded the currency over here, and some other guy sneezed and accidentally hit his

computer button, and wiped out that currency. I'm only being partially sarcastic, but just suddenly you come home and your pension got cut in half. That was the second warning, when that happened to people. First GATTzilla ate Flipper, and then some computer ate your pension.

### **Clinton and Bush: Similar Positions, Different Politicians**

INTERVIEWER: Can you look at the speeches of Clinton and Bush? There's a difference in tone, but there are a lot of similarities about trade and globalization—it's almost seamless. How do you see that?

LORI WALLACH: If you look at the beginning of the Clinton administration and you look at this current Bush administration, if you hadn't memorized the speeches and you didn't know which was which, you wouldn't really know which president was giving them. They basically say the exact same things. What's different is that over time, the Clinton administration started to live with the blowback, politically and substantively. So policies that the Environmental Protection Agency and the Clinton administration were pushing, like eco-labeling, at the same time the trade agency listening to the rhetoric of those early Clinton speeches was at the WTO undermining. So some of those internal conflicts, in the second term, where suddenly they'd realized, "Holy beans! Our own food-safety or environmental policies are about to become an illegal trade barrier under what we're pushing," plus the political fallout of seeing Democratic members of Congress lose their elections over NAFTA, of seeing all those promises that the Clinton folks had made, very explicit ones—every American will get X amount of money; there will be 200,000 extra manufacturing jobs—seeing all that come to nothing, it was worse than the status quo ante. That was really a political wakeup call even for those people who were still true believers and hadn't had their own issue conflicts. By the end—and obviously Seattle was sort of a turning point, because Clinton was a smart politician—he could see the whole country now had their knickers in a knot over this thing called WTO that he thought he could just talk about in Washington. So by the end they really had realized things had changed, not just as a political matter but that the politics had shifted the substance. The substance had also shifted the politics, [as had] the polls; [there was] a Roper Poll showing 70 percent of Americans want to ensure that future trade agreements don't undermine human rights, food safety, and the environment, and don't increase child labor. Well, if you had polled that in 1992, when he came in, first of all, people wouldn't even know what you're asking and you

would have just gotten all non-responses. But the few who were [aware of what you were asking] would have said, "Oh, that kind of stuff can't happen," so it really had shifted.

Now the Bush people come in, and they basically go back to where the Clinton people started, so all of that progress has been reversed. Right now Bush is trying to get Fast Track again, and he's going to lose. [Editor's note: He won.] He's 60 votes short. He even has the free trade-boosting Democrats on the warpath against him, because [it's not] 1992 policy, and he needs to wake up and realize it's 2001 and everything's changed. But he's trying to push all this old stuff that's pure trade über alles. Not that Clinton would have gone far enough to fix these things; I'm not saying that the man had suddenly an awakening. He just realized, though, that things were moving ahead and he was behind the curve. Bush has probably positioned himself several miles behind the curve and has dug in.

### **The Anti-Globalization Movement After the September 11 Attacks**

INTERVIEWER: Last question: We don't know how it's going to play out, but after September 11, what's that done to your movement, everything from the appropriateness of mass protest shutting down meetings to the Bush administration saying the new WTO round is crucial to ensuring global stability. It's a shock to the system as part of this big debate. What's your response?

LORI WALLACH: I would say that most of the other country-based campaigns, the civil society movement against corporate globalization worldwide, has had very little change since the September 11 attacks. I mean, on the margins they certainly have, and for a month after the attacks it was just considered inappropriate and disrespectful to be too active or to have a protest. The whole world was in mourning, and rightly so. In those movements now, they have, with a few exceptions, largely gone back to where they were on September 10 in their focus, their passion, their plans, etc. Obviously they're being careful and respectful and mournful about what's been an enormous tragedy, so no one is going to be sloppy about using words like, you know, "Let's blow up the meeting." But the real change is zero.

In the U.S., it's a strange way that it's cut, and that is it's cut in two ways. On one hand, we all decided, for instance, that the planned Washington protests were inappropriate. The Washington police were doing other stuff, and it was the wrong mood. We're not suicidal; we

understand when the American public doesn't want something else shaking them up. But at the same time, for instance, at the time of the WTO ministerial, there are going to be about 40 different events across the country with a thoughtful tone. We're not scaring anyone. There's no use if you're trying to build a movement in scaring anyone. If you're trying to build a movement ... you want more people to become educated and join. There will be educational events and teachings and rallies, some rallies and marches, in a lot of places. Enough time has passed that with the right tone, that kind of an event is appropriate.

Ironically, the attempt by the Bush administration to link pushing their trade agenda to the war on terrorism has totally backfired, and so in the U.S. we are in a much better place than we thought possible as far as, you know, our whole country's in shock. We're probably the only movement that actually hasn't right now got its boat tipped over, because, in fact, right after this horrific attack, the administration started [saying], "The remedy for this is more globalization," and a lot of people ... We saw this in polls: If the whole world hates our guts sufficiently that, you know, people... While some of their leaders are very upset about this, there's these gruesome pictures I'm seeing on CNN of people being gleeful that this happened to us. [Some people in this country have started to ask], "Why do they dislike us so much?" Well, people have started thinking about that: "What is the role the U.S. [plays in the rest of the world]? I should be more involved internationally." It's made people much more internationalist, which is really our goal. They're thinking about the whole world and asking, "What's our role as Americans in it? What's our government saying in our names?" And besides all the things they know about what the government does, what's their position that makes people so pissed off around the world?

So, interestingly, the administration's raising [globalization as a remedy to terrorism] has really made people start saying: "Hm. Well, if that's true, what does it mean?" And then by [the administration's] saying more of the same answer, it's gotten a real backlash: It's gotten a backlash in the public; it's gotten a backlash in Congress. They're saying: "Hm. All right. Let's say there is some link between international commercial policies and our sense of world stability and peace. Then should we do more of the same, or should we revisit it? And under any circumstances should we rush into it?" The one common denominator is that everyone is saying: "Why do they want to rush into this? Shouldn't we be thinking about this?" We have a whole new post-September 11 world to think about; we should think about our commercial

# COMMANDING HEIGHTS

**Lori Wallach**

21

policies as well, and [whether we] are helping or hurting. So on one hand the tone and the message has changed, and everyone for a month or so just went into a mournful shock, because frankly, that's how we felt as human beings. No one could have done anything even if they wanted to. And now the Bush administration's basically revived the issue.