

## THE QUEBEC SUMMIT: TEAR GAS, TRADE, AND DEMOCRACY

by Richard Feinberg and Robin Rosenberg

It could be said that everybody won at the Quebec City Summit of the Americas. The demonstrators won by capturing media attention for their loud cries against social injustice. The Canadian security forces won by protecting the diplomats with laudable restraint. And the official Summit won by advancing important trade and democracy initiatives.

George W. Bush won, too. In his first major international outing, the U.S. President persuaded observers that he would vigorously pursue his free trade vision. Among the other leaders, President Vicente Fox stood out for his clarity and forcefulness. Mexico's new positive and activist diplomacy was on display in Quebec.

If there were losers during the April 20-22 conference, it was the local merchants whose stores and restaurants were nearly vacant, as citizens fearing disorder stayed safely in their homes. Tear gas wafted into receptions and hotel lobbies, affecting delegates, citizens, and protesters alike.

If some of the protestors thought they could halt globalization — the increasing flow of commerce and capital across national borders — they were disappointed. One after another, the leaders brushed aside those who, in the words of Chile's Socialist President Ricardo Lagos, imagine that "by shouting a little," they can solve deeply rooted social problems. Leaders drew positive linkages among international trade, economic growth and poverty alleviation.

### **The Power of Summitry**

Overall, Quebec made plain the potential power of inter-American Summits.

- Summits can add new life to stalled initiatives such as the free trade vision.
- Summits can put new initiatives on the table, such as the "democracy clause" that limits participation in future Summits and in the prospective free trade area to nations adhering to democratic principles.
- Summits engage top policymakers in thinking about long-term issues in inter-American relations. After only 100 days in office, President Bush demonstrated in the closing press conference that he is already up to speed on many issues in U.S.-Latin American relations.
- Summits provide a forum for leaders to seek hemisphere-wide support for national economic, political, or security problems. In Quebec, Colombian President Andrés Pastrana received strong support from his colleagues for pursuing the peace process with guerrilla groups.
- Summits give the smaller powers a chance to share their concerns with the more powerful. Caribbean and Central American representatives were notably pleased with the attention that their issues received from the other Summit leaders.
- Summits now provide civil society organizations with opportunities to press their own agendas — both inside and outside the official meetings.

### **The FTAA: A Reality**

The core of the trade agenda had been decided before the Summit. Two weeks earlier in Buenos Aires, trade ministers had decided to modestly accelerate the trade negotiations, try to complete them by December 2004, and gain approval of national legislatures by the close of 2005. But it was in

Quebec where President Bush and his chief trade negotiator, Robert Zoellick, impressed delegates that they mean business. Both men pledged to work hard to gain congressional authority to negotiate trade agreements by the end of 2001 and, in a parallel process, to wrap up talks with Chile on a bilateral trade accord by year-end.

Zoellick emphasized his openness to dialogue with environmental groups and labor leaders. However, Bush also made clear that he did not want these social concerns to derail the free trade talks. Many tough issues remain to be negotiated including tariff and non-tariff barriers, agriculture, textiles, and investment and other services. Moreover, the links between trade and labor rights and environmental protection have not yet been joined in a way that would be acceptable to many U.S. Congressional Democrats or to developing countries that fear such linkages could be used for protectionist purposes.

In his opening remarks, Brazilian President Fernando Henrique Cardoso repeated the trade bargaining position stated earlier by his country's Foreign Minister, Celso Lafer, explicitly criticizing U.S. agricultural trade policy and anti-dumping measures. His speech played well in the Brazilian media. However, it was also an implicit recognition that the Free Trade Area of the Americas (FTAA) is a reality that Brazilian industry and government must confront.

U.S. diplomats report that Cardoso and Lafer assured them that they are fully in favor of a hemispheric accord, even as they must show concern for domestic interest groups. Zoellick said that he takes these assurances at face value, but observed pointedly during his press conference that: "Brazil will have to choose between being a global player and being the largest country in the Southern Cone."

Zoellick displayed particular sensitivity to Caribbean representatives when he responded to their worries that they lack the technical capacity to negotiate a complex trade accord by saying, "Just tell us what you need." In short, after Quebec, it seems clear that there will be an FTAA.

### **Fusing Democracy and Trade**

The hemisphere has been debating the trade-labor-environmental nexus for a decade without resolution. Yet, in one weekend, a consensus emerged to link trade to the domestic political institutions of each member state.

Quebec's most daring innovation was its approval of a democracy clause: "any unconstitutional alteration or interruption of the democratic order in a state of the hemisphere constitutes an insurmountable obstacle to the participation of that state's government in the Summit of the Americas process." The "Summit process" is understood to include the free trade accord. This clause puts new teeth into the capacity of the region's democracies to deter and, if necessary, reverse threats to democratic governance. It also gives private sectors an additional incentive to support constitutional rule.

Many details remain to be ironed out regarding democratic governance. How to define democracy? Which institution will decide that a democratic order has been unacceptably altered? What would be the sequence of sanctions? Some Latin American and Caribbean nations remain concerned that the United States could try to misuse this new power and will seek safeguards against undue U.S. influence.

Also unclear is whether the final trade accord will repeat the democracy requirement. The U.S. trade office is hesitant to do so for fear that members of Congress will then ask for a similar linkage in other regions, such as Asia, where a democracy clause would be unworkable. Nevertheless, Quebec's democracy clause is a milestone in the hemisphere's commitment to the collective defense of democracy. The Summit called for the drafting of a "democracy charter" to codify the region's several democracy commitments.

As if to underscore the leader's democratic intentions, in his closing remarks, Canadian Prime Minister Jean Chrétien called for stepped up efforts by the Organization of American States (OAS) to try to get Haitian democracy back on track.

## Civil Society Advances

Another innovation of the Quebec Summit was the invitation by the Canadian hosts to some 60 civil society organizations to enter the Summit conclave and to participate in a roundtable discussion with ministers. Many of the civic leaders voiced the same concerns being heard in the streets — that Latin American economies must do a better job at meeting the needs of the poor majorities.

The exchange with ministers was polite and rather pro forma, but it set an important precedent that could further democratize hemispheric diplomacy. Civil society representatives can now demand a voice at the many ministerials and working groups that flow from the Summit process and that seek to implement the Summit mandates. Many clauses in the Summit's Plan of Action also call for inclusion of non-governmental groups in post-Summit activities.

As a response to demands for greater transparency, governments agreed to release the draft text of the trade accord — a first in international trade negotiations. Privately, negotiators worried that more interest and advocacy groups will now be able to influence and perhaps slow the trade talks. Nevertheless, governments judged this as a cost worth paying to win wider support for the final trade accord.

## Words Into Deeds?

The Summit Plan of Action addressed many other social issues, including education; health; the digital divide; HIV/AIDS; and the rights of women, indigenous peoples, children, and migrants (the section on migrant rights was a victory for Mexican diplomacy). Leaders also urged more progress in combating corruption and narcotics.

Where the Quebec Summit fell short was in planning for implementation. The 49-page, single-spaced Plan of Action contains too many pledges (over 260 action items) in proportion to the hemisphere's capacity to implement reforms. Too few initiatives have clear timetables, quantifiable targets, and monitoring mechanisms. Nor is it clear just where the necessary money will come from for many of these initiatives.

Summit leaders did call for ministers of finance and their representatives in the resource-rich Inter-American Development Bank and World Bank to meet with those officials charged with Summit implementation. Efforts were made to streamline the management of summitry. An executive council and a smaller steering committee of past, present, and future Summit hosts were established. It is unclear, however, whether governments will provide the key OAS Office of Summit Follow-up with sufficient staff and financing to effectively monitor and evaluate the implementation of Summit mandates.

So it is still too soon to judge who will be the final winners in Quebec. If the trade talks bear fruit; if the democracy clause deters would-be violators; if a new democratic diplomacy takes hold; and if the many social initiatives find funding — then all the peoples of the Americas will have been winners at the Quebec Summit.

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