

## **Waiting for anything**

By Peter Clark

September 11, 2003

*Cancun – Day 2* - Everyone - well nearly everyone (some have bad sunburns and a few U.S. industry advisors have had a few rounds of golf) is still hard at work, notwithstanding lovely sand and weather, Spa Massages on the beach and more than a sprinkling of topless bathers. The Conference daily in El Economista shows a bather looking at the troopship offshore. It is difficult to tell whether or not the troops are staring back. It is a ship and they are sailors..... The Sun comes to Cancun.

There were no violent protests today, but there were a few disruptions in the Conference Centre with WTO officials now trying to weed out the agitators from the media centre and keep NGOs out of the press conferences. We are bombarded with so much paper, CDs and other NGO bumph, it is hard to keep track of the important stuff. Whoever called these people tree huggers were dead wrong. Any self-respecting conservationist would be outraged to see how many trees are being killed to send these messages. The big demonstrations are scheduled for Saturday, but these will likely still be on the mainland as the police/army will not allow them to cross the bridge.

One becomes accustomed to waiting at WTO Ministerials. Is it suspense, building to a dramatic climax? Not here! It is waiting for any signal or movement or speculating on when or how the G-22 (I told you it would grow - now Tanzania and Egypt are in, and Kenya seems to be on board) position will be reconciled.

This is not an easy task. The gaps are wide. Brazil will not likely back down – President Lula's message is that "economic growth and sustainability cannot be disassociated". Not too far off Minister Pettigrew's Globalization with a human face. And G-22 is well coordinated. It will be tough to divide and conquer. Hand-held electronic communication (no not cell phones – probably Blackberry types) keeps these countries in touch minimizing the scope for USA spin to fluster them. The Hot rumour for a while in the NGO centre was that Brazilian President Lula was coming to Cancun. Do not hold your breath, but it would liven things up.

But buying off the weak links is an old game in the GATT/WTO system and the USA, and many E.U. member countries are very good at this. But there is a lot at stake, and developing countries have nothing to lose by hanging tough. Indeed, a quick deal based on the E.U.-USA framework would be much worse for them than holding out for the right deal. But there will be

special offers including the prospect of bilateral agreements and special treatment and aid if necessary. Deep pockets can bridge differences and have in the past.

Minister Pettigrew has been instrumental in moving the facilitators' schedule. Now they are working in earnest, not waiting for an agriculture consensus to emerge. There simply was no time to wait even if full flexibility or even reasonable flexibility will have to wait. It isn't round the clock yet, but he will be working until the wee hours. How far will they get on investment and the other issues which were new at Singapore? Given there are developing countries who feel strongly that the issues should not be engaged, so moving substantively on all would be just short of miraculous and even moving a few would be a major accomplishment.

As Ministers get closer to the crunch, they will be more anxious to produce a visible positive result. But agriculture is still the key and while the other facilitations may be easier to move, movement on agriculture will generate flexibility which would not otherwise be there. As Minister Pettigrew told the media today, there are four more days and a lot can happen. But if the G-22 digs in and insists on full participation, this will be a new day for the WTO – and more time will be needed – but the end result should be more equitable and contribute to making the underlying game at the WTO right and wrong, not big and little.