

Book Review

L'Europe en première ligne.

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In an interview with French magazine *Espirit* in 1991, Pascal Lamy defined Europe as a system made up of a public authority, the market and social agents. Any political option that failed to recognize the role of these elements (e.g., the market as an engine of finance, public authority as a body for regulation and stabilization, or social agents as channels for citizen participation) falls outside this economic and social model. In fact, the construction of Europe is based on this equilateral triangle, shared by both the social-democratic and democratic-Christian families. This two-party reality, which ensures that power is taken in turn in an organized fashion, is where Europe has to play a role in the world with its own personality. This does not mean defending immediately pragmatic interests, but rather a model of society that accepts the market without idolizing it.

It is with these beliefs in mind that Europe's Trade Commissioner Pascal Lamy raises the need to "harness" (*maîtriser*) globalization. Lamy, the interlocutor of the fifteen Member States and the European Community at the World Trade Organization (WTO), proposes a political approach towards globalization. International trade regulation is not a struggle between economic liberalism and protectionism, he says. This is an outdated approach. Globalization goes beyond a simple diversification of the exchange of goods and commodities to include matters of greater scope, such as sustainable development, the environment or public health, and questions relating to social protection, public service and cultural diversity. It is therefore not acceptable for trade policy to not contribute decisively towards social development.

One example of this position can be seen in the controversy over intellectual property rights in the field of the pharmaceutical industry. A forum by NGOs on pharmaceutical patents and public health policies was held alongside the WTO's unsuccessful Seattle conference in December 1999. The forum was the start of a campaign led by Médecins Sans Frontières (MSF) protesting that difficult access to drugs hindered the development of health policies. A central issue was the use of generic drugs (up to 100 times cheaper than their brand counterparts) in developing countries. "Treating Aids costs \$20/day in Kenya, a price that drops to 70 cents in Thailand, where the drugs used are not subject to industrial patents," MSF said.

In the wake of civil demonstrations against an "unharnessed" globalization, which was perhaps not properly reported in the *fast-food* media, the WTO set a date to discuss the issue. At the Doha (Qatar) summit in November 2001, it struck a deal between public health needs and the preservation of the pharmaceutical industry's intellectual property rights. New clauses in TRIPS (the Agreement on Trade Related Aspects of Intellectual Property Rights) made it possible to voluntarily grant limited-use licenses to developing countries. Thanks to this measure, anti-retroviral drugs are now 70% cheaper in Burkina Fasso than they were two years ago.

The US has also experienced the need to free up intellectual property rights first-hand. After September 11, US society began to be alarmed about possible carbuncle or anthrax attacks and the Bush administration was unable to guarantee public health. The Government passed the following message on to pharmaceutical companies: "Make them at a reasonable price or we will resort to compulsory licenses". This is exactly the same attitude as developing countries take in their fight against Aids and malaria. Or could it be that Aids and malaria do not represent

exceptional situations for these societies?

This episode can teach us all a lesson. Although the book is full of similar examples, we have focused on intellectual property rights for drugs to demonstrate that a different type of globalization is possible. This is where Europe can play a decisive role, by contributing a model of society that includes non-commercialized spaces. Public health and culture (the issue that concerns us) belong to society, not the market. Globalization has to accept that cultures and inter-cultural dialogue should not be commercial targets. Cultural diversity is a value in itself and should not be judged by financial profit. Who would dare to argue against biodiversity by saying that only the animal species that are profitable on the market should be allowed to survive? That only the species that provide meat for human consumption should be allowed to live?

Everybody knows that the audiovisual industry will be the most popular way of generating and transmitting culture in the 21st century. On this point, Lamy takes up the mantle from Jacques Delors, for whom he worked as head of staff during his time as president of the European Commission: "The audiovisual industry is not a commodity like other ones," he says. In fact, Lamy goes further. Faced with the US attitude of "framing" the notion of cultural diversity so as not to block market development, Lamy endeavors "to frame a market based on common values and rules, so that market development respects the diversity of cultures".

The organization that could be used as a platform for this international discussion is UNESCO (the United Nations Organization for Education, Science and Culture). On 2 November, 2001, one week before the WTO summit was due to begin in Doha, UNESCO approved the "Universal Declaration on Cultural Diversity" at a plenary session of its general conference. The declaration held that cultural rights are a part of human rights and that public policies play a leading role in the protection and promotion of cultural diversity. It argued that culture could not be left in the hands of market forces and to this end UNESCO has called for the development of an international legal instrument to monitor cultural diversity.

These types of declarations are necessary but are not enough on their own. It is also important to properly negotiate international treaties that establish commitments by the States. In Lamy's words: "A community or State has

to be able to conserve its freedom of action to apply legal and financial instruments ... to promote cultural creation and the diffusion of its creations". The EU Treaty favors this thesis. Protocol No. 32 of the treaty establishes that Member States' public broadcasting systems "are directly related to the democratic, social and cultural needs of each society and the need to preserve pluralism in the media".

It is important to build from this premise, which has been established as a pillar in the process of building Europe, to check that international trade agreements respect the spirit of the above-mentioned protocol. Lamy's words on this issue are encouraging. Remaining faithful to the spirit of the provision, the Council of Europe ratified his mandate for the next round of negotiations at the WTO as follows: "The Union will check, in the upcoming WTO negotiations, to guarantee the possibility that the Union and Member States (as was the case during the Uruguay Round) maintain and develop their ability to determine and apply their own cultural and audiovisual policies and to safeguard cultural diversity". The Council's mandate to Lamy for negotiations on audiovisual matters at the WTO is therefore very clear.

However, the position that Commissioner Lamy has to defend at the WTO is bound to face fierce opposition. The audiovisual industry is a strategic sector for the US, representing the second-biggest source of export earnings for the country's economy. As well as its commercial importance, the audiovisual industry projects American lifestyles. In fact, the US demanded that Europe open its markets to American films in compensation for the Marshall Plan, which helped rebuild Europe after World War II. The US has understood the importance of this sector for half a century and has combined public policies with private investment in a large and homogenous market to create very powerful media groups that exercise their dominant position across the world. There is therefore a great challenge facing Europe, and its Trade Commissioner in particular, at the next round of WTO negotiations, which will officially begin in Cancun (Mexico) next September.

It is therefore worth taking a look at Pascal Lamy, the person responsible for setting out the EU's common foreign-trade policy under the mandate of the Council. We can turn again to the interview published in *Espirit* in 1991 to discover more about his professional psychology. In keeping with the French tradition, Lamy was trained to work as a top-level

public servant, the category developed for key posts in the public administration. In most countries, Lamy says, economists, accountants and lawyers are recycled to work in the public service. In France, the opposite occurs: "First the public servants are created, then they are turned, nearly always provisionally, into specialists". This system prevents strategic preparation from being monopolized by "technocrats".

This is the background of the person who will represent Europeans at the WTO, and as such we can breathe easily. Pascal Lamy, a French socialist who "prefers the telephone to the megaphone" finishes his book with a bold declaration on his intentions: "(I) am determined that the next round of negotiations at the WTO will contribute to regulating globalization, framing it to include the values and collective preferences closely linked to Europeans and ensuring that trade relations follow the political angle of 'sustainable development' in the sense of the UN: of growth in the economy, respect for environmental balance in ecology and the struggle against inequality in society."

Translated from Catalan by Marc Alba