

Put People into APEC!

What is APEC?

The Asia Pacific Economic Cooperation (APEC) leaders meet in Sydney in September 2007. There are 21 heads of government of Pacific Rim economies coming for the meeting.

Despite media reports, APEC does not just mean traffic chaos, security threats and silly shirts.

APEC actually stands for achieving a complete free trade objective in the Asia Pacific region, and also discusses issues like security and terrorism, without serious consideration of human rights or the environment. It will be the most significant meeting Australia has ever hosted.

APEC member economies are: Australia, Brunei Darussalam, Canada, Chile, the People's Republic of China, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, the Russian Federation, Singapore, Chinese Taipei, Thailand, the United States of America and Vietnam.

APEC was established in 1989, and in 1994 APEC adopted the *Bogor Goals* of achieving “free and open trade and investment in the Asia-Pacific for industrialised economies by 2010, and for developing economies by 2020” (APEC, “Leaders’ Declaration”, 1994, APEC Secretariat, Singapore).

What’s on the APEC agenda?

Trade liberalisation

The APEC goal of ‘zero trade and investment barriers’ does not only mean removing tariffs (taxes on imports), but also often means removing regulations and policies that protect people and the environment. In a free trade context, these regulations are called ‘barriers to trade’ – mere obstacles that should be removed in the name of economic growth and profit.

Free trade objectives are often achieved by; removing government regulation of essential services, like water and education – and instead opening them up to privatisation; removing all tariff protection for vulnerable workers and farmers, especially in rural and developing areas (despite the fact the rich countries used these same protections to get their industries established, and still do!); putting the rights of corporations above the rights of people and the environment; ignoring commitments to

International Labour Organisation conventions on labour rights or to UN International Environmental Standards.

Unlike the World Trade Organisation (WTO), which has similar objectives, APEC's agreements are voluntary and non binding. However, the APEC goal of zero trade and investment barriers is far more extreme than the objectives of the WTO. APEC is a promoter of an ambitious neo liberal ideology.

While APEC supports multilateral initiatives like the WTO, many of its member countries are now engaged in bilateral Free Trade Agreement (FTA) negotiations. In 1990 there were 16 FTAs operating internationally, by 2004 approx 178 had been signed, 72 of which involved APEC member countries. (C Dent 'New Free Trade Agreements in the Asia Pacific', Palgrave 2006).

FTAs are far more damaging because they aim to remove all trade and investment barriers at a faster pace than in multilateral negotiations. The 'faster, quicker, harder' nature of FTAs means the agreements are often 'WTO plus'. FTAs usually involve extremely uneven bargaining relationships, favouring powerful countries and disadvantaging weaker ones.

The 21 member countries of APEC have enormous differences in levels of economic development and social structures.

There has been ongoing debate in APEC between governments like the US and Australia, wanting more rapid and binding commitments to trade liberalisation, and the developing East Asian governments led by Malaysia, wanting a slower and more consensual process, with recognition of the specific problems faced by developing countries.

Trade agreements are increasingly becoming an instrument for geopolitical power in the region, and India's strong desire to join APEC could increase these tensions.

With the current crisis in the WTO, the US and Australia are supporting a legally binding region wide 'Free Trade Area' proposal, which would greatly increase the significance of APEC.

Energy security and climate change

APEC countries account for 60% of global energy demand, so it is fitting that a major focus of the Sydney APEC meetings is energy security and climate change.

Unfortunately, this is unlikely to lead to real environmental benefits.

APEC has an Energy Working Group that meets twice a year. It is advised by an Energy Business Network that receives substantial input from companies such as Rio Tinto, BHP Billiton and US Chevron Oil Company, but no corresponding input from environment or community groups.

The Energy Working Group rejects the UN Multilateral Kyoto Protocol climate change strategy, and advocates 'clean coal' and nuclear energy as solutions to global warming. Australia and the US are strong supporters of these solutions.

Australia and the US have set up the Asia-Pacific Partnership on Clean Development and Climate, a group of six APEC countries, as an alternative to the Kyoto strategy. Alan Oxley, as the Director of the Australian APEC Studies Centre, presented a paper that argued that, instead of the Kyoto Protocol, the focus should be on greater efficiency in the combustion of fossil fuels and development of nuclear energy, rather than the development of other renewable energies like solar and wind power (Oxley, Alan, "Asia-Pacific Partnership on Clean Development and Climate: New Prospects for Joint strategies on Climate Change" Australian APEC Study Centre, 2005).

This group released a statement that "renewable energy and nuclear power will represent an increasing share of global energy supply" and pledged to "work together to develop, demonstrate and implement cleaner and lower emissions technologies that allow for the continued economic use of fossil fuels..." (Asia-Pacific Partnership on Clean Development and Climate, *Communiqué*, Sydney, 2006, p.1.).

At the recent APEC Energy Ministers Meeting in Darwin, nuclear energy solutions continued to receive broad support, while the wind and solar industries were not even represented. (T Ravens 'Urgent action needed, says APEC energy business forum', AAP Financial News, 28 May 2007).

John Howard again recently stated that the Kyoto Protocol would not work and that "any meaningful discussion on climate change must recognise legitimate national aspirations for economic growth and energy security" (A Fraser, 'Australia to lead on climate change:PM', Canberra Times, 7 June 2007).

Howard plans to use the Sydney APEC meetings to call for new international action on climate change to replace the 'flawed' Kyoto strategy. (M Davis 'Lets replace flawed Kyoto Protocol with plan forged at APEC: Howard', The Sydney Morning Herald, 7 June 2007).

Security and the 'war on terror'

After September 11 2001, the US insisted that security and counter terrorism measures take centre stage at APEC meetings. APEC declared that "terrorism is a direct challenge to the APEC vision of free, open and prosperous economies" (APEC Leaders Statement on Counter-Terrorism, October 21, 2001).

While it is legitimate for governments to take precautions on terrorism, there is the potential for human rights to be violated in the name of counter terrorism. Governments in the region have made political, legal and institutional commitments to fighting terrorism, but the danger is that these initiatives could be used to serve other political agendas.

Many APEC countries have a history of authoritarian rule. In these cases, anti terrorism measures can, and have, been used against legitimate political opponents. For example, a recent UN investigation in the Philippines found that the Philippines military was implicated in the killings of up to 800 unarmed trade union and human rights activists in the name of counter terrorism (statement by Professor Philip Alston, UN Special Rapporteur to the UN Human Rights Council, 27 March 2007, pg.7).

Security measures should not violate human rights. APEC nations should make commitments to human rights, UN arms limitation agreements, and nuclear non-proliferation agreements.

Fair trade alternatives

The current global trade system – supported and promoted by APEC – is seriously distorted.

Trade can provide opportunities for increasing wealth by making goods and services available. However, trade agreements sometimes give priority to the flow of goods, services, and investment, without consideration of the social impact of these on communities. The challenge is to ensure trade agreements provide opportunities for all people and nations to share wealth.

Fair trade rules would be based on international standards on labour rights and the environment, would allow governments to ensure access to essential services such as health, water and education, and to take measures for local agricultural and industry development. (S. Clark and R.Ranald, 'Trade Justice', Catholic social Justice Series no.54, 2005)

The price of hosting APEC

The cost to taxpayers of hosting APEC is now reaching \$330 million, \$170 million of which will be spent on security arrangements.
(http://www.aph.gov.au/senate/pubs/proc_bul/bull_213.htm) There are even greater costs to democratic rights and civil liberties.

Professor Michael Head, from the University of Western Sydney, recently explained that “changes to the Commonwealth Defence Act last year disturbingly enhanced the government's power to mobilise troops internally and give the military unprecedented

domestic powers, including the right to interrogate civilians and seize documents...The troops also have wider and legally protected rights to use lethal force” (ABC Radio National, ‘Perspective’, 22 May 2007).

Police powers will also be temporarily increased during APEC to allow police to detain and search people in special zones around the CBD (‘Extra police powers not new: Ruddock’, The Age, May 20, 2007). There is a real possibility that these increased powers could be directed at stifling legitimate dissent. The ‘APEC Meeting (Police Powers) Act 2007’ also protects police against legal action if they injure protestors or damage police property. (A Clennell, ‘City to become police state for APEC summit’, Sydney Morning Herald, 6 June 2007).

These unprecedented security measures and powers will be in addition to large numbers of police, ASIO agents, foreign security personal, traffic chaos, railway closures, exclusion zones and business closures.

- costs to taxpayers are **\$330 million, including security costs of \$170 million**
- increased police powers to detain and search people in ‘declared zones’
- unspecified ‘lock down’ areas with absolutely no public access
- SAS troops with ‘shoot to kill’ powers on stand by
- 3,500 police officers will be on hand plus 1,800 private security guards for world leaders
- ‘Rapid response’ 4WD riot trucks on standby 24/7
- three city circle train stations closed, and city roads closed, with no announcements as to which roads or when

Where would the APEC ideology lead us? Free trade in action

Export Processing Zones (EPZ) are microcosms of the free trade world which APEC promotes. In EPZ governments seek to attract investors with financial incentives and liberal regulatory frameworks. Corporations are attracted to EPZs because they can cut costs and increase profits by avoiding the ‘burden’ of paying decent wages, or protecting the environment and workers. Governments actually compete to attract these corporate investors by constantly lowering regulations, leading to what is known as a ‘race to the bottom’ in standards. These inadequate social and environmental safeguards lead to environmental pollution, poor health and safety, and labour rights abuses.

- In the Philippines, labour laws are not properly enforced in the 89 EPZs. In theory, people working in the zones are free to organise, however, in practice, union activity in the zones is strongly discouraged. The zones are known for low wages, punishing

working hours, breakneck production rates and intimidation of workers. Overtime is the norm and the factory gates are often locked to prevent workers from leaving before their tasks are finished or their quotas filled.

- In Taiwan during peak season assembly workers work an average of 100 to 120 hours overtime a month – far in excess of the legal maximum of 36 hours a month. Average wages are well below the minimum of USD 54 a month.
- In China factories have harsh penalty systems. In one factory, 25 US cents are deducted from wages if a worker violates a factory or dormitory rule. Workers must obtain permission to leave the factory. Elsewhere, workers are forbidden from talking during work, and are fined for not sitting properly.
- China, Miss C, aged 20:
“Everything in this factory looks nice. The only thing is the low wages. I have been in the factory for two years and the highest income I have ever got is a little more than 500 renminbi (\$60). That was earned after having worked more than 100 OT (overtime) hours. ... How can that money be enough for us? At least you have to buy for everyday provision. And if I buy some clothing for myself, my income is finished.”
- Mexico, Monica, aged 26:
“I was in a room with two nurses. Well they were dressed like nurses anyway. They were both very rude and really bullied me around, shouting at me to do this, do that. They asked me all those questions about drinking, smoking, illnesses in the family. I had to take off all my clothes, including my underwear. After that, they asked me if I was pregnant. I said no, but that wasn’t enough. They gave me a test paper and ordered me into the bathroom telling me to do the pregnancy test. They said, ‘If you have your period then you have to show us your sanitary towel to prove that you are bleeding.’ It was a totally humiliating experience”
- Mexico, Lupe, aged 28:
“It is very difficult to discuss things at work with other colleagues, to try and get anything organised. If we were ever found talking in a group the supervisors would threaten us with the idea of the plant being closed, ‘If you don’t reach the production targets then all this work will go China,’ they said. ‘There they are better workers than you and they get less pay.’”

Source: S Perman, ‘Behind the brand names - Working conditions and labour rights in export processing zones’, International Confederation of Trade Unions (ICFTU), December 2004. Full report is available at <http://www.icftu.org/www/PDF/EPZreportE.pdf>

What's happening about APEC in Sydney?

APEC lacks democratic involvement and has always resisted formal engagement with civil society groups. However a broad coalition of community groups is organising a public forum and conference in Sydney under the banner of '*Asia Pacific People for Environment and Community (APPEC) – putting people into APEC*'.

These events will be peaceful presentations of alternative ideas to the APEC vision.

Public forum – Guthrie Theatre, University of Technology, 5:30pm arrival for 6:30pm start, Friday 31 August.

Guthrie Theatre, Design Building (Building 6), Harris St entrance (near the ABC building and near the overhead footbridge)

A public forum where leading thinkers, community leaders, NGOs, and others, come together to learn about the narrow focus of APEC's free trade agenda, and its failure to consider labour rights, human rights or the environment. Fair trade information stalls and products available.

Featuring:

Lori Wallach, (United States), trade lawyer, author and director of Public Citizen's Global Trade Watch

Sharan Burrow, President of the Australian Council of Trade Unions and President of the Global Unions' International Trade Union Confederation.

Yuri Munsayac, (Philippines), Asia Pacific for Human Development

Don Henry, Executive Director, Australian Conservation Foundation

MC: Tim Brunero, former Big Brother contestant!

Conference – University of Technology, 9.30am – 4pm Saturday 1 September. Guthrie Theatre, Design Building (Building 6), Harris St entrance (near the ABC building and near the overhead footbridge)

Plenary sessions, workshops, information stalls, documentary screenings and activities.

Featuring:

Richard Broinowski, Adjunct Professor, Sydney University, former Australian Diplomat
Professor Jane Kelsey, (New Zealand), University of Auckland and Action Resource Education Network of Aotearoa (ARENA)

John Sutton, National Secretary, Construction Forestry Mining Energy Union

Asia Pacific People for Environment and Community is:

Aid Watch, Australian Catholic Social Justice Council, Australian Council for International Development, Australian Council of Trade Unions, Australian Fair Trade and Investment Network, Australian Manufacturing Workers Union, Australian Services Union, Caritas Australia, Community and Public Sector Union - State Public Services Federation, Construction Forestry Mining Energy Union, Edmund Rice Centre for Justice and Community Education, Friends of the Earth Australia, Global Trade Watch, Grail Global Justice Network, Greenpeace, Jubilee Australia, NSW Teachers Federation, Presentation Sisters (Wagga), Search Foundation, Sisters of Charity, The Commons Institute, Union Aid Abroad-APHEDA, Unions NSW

For more details about these events contact AFTINET on 02 9212 7242 or campaign@aftinet.org.au.

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