

We Can Abide by Global Rules

■ **Trade:** Enforcement of GATT by a new world body won't threaten U.S. health and environmental laws.

By **STEVE CHARNOVITZ**

The General Agreement on Tariffs and Trade, now 46 years old, has never been voted on by the U.S. Congress. So it should not be surprising that the upcoming vote on the new World Trade Organization is generating controversy. Rep. Newt Gingrich (R-Ga.), Ralph Nader and others are troubled about the impact of the WTO on American sovereignty.

Treaties are a hot button for many Americans. Thomas Jefferson's warning about avoiding "entangling alliances" is

embedded in our psyche. Yet most concerns about the WTO are unfounded. It cannot overturn our laws. It cannot impose taxes on Americans. It is not a "world government."

But the issue of sovereignty is not as straightforward as some proponents of the WTO are asserting. The United States will incur new obligations in joining the new organization. And the WTO will raise the costs of American disobedience to international rules.

Some public-interest groups are worried about the WTO's rules regarding environmental and health standards for imported products. The purpose of these disciplines was to make it harder for nations to use such standards as a guise for aiding domestic producers. The Clinton Administration recognized that the disciplines were too rigid and succeeded in modifying them

slightly during the final days of the Uruguay Round of negotiations. Even so, these rules may still interfere with legitimate environmental laws.

If a dispute panel determines that one of our laws violates the WTO, then the United States will be called upon to change it. In some cases, there may be good reasons to rewrite a law to make it more evenhanded. Nevertheless, Congress is not compelled to make the change. If the offending law is not amended, however, the WTO will permit the complaining country to respond with higher tariffs. How this new procedure will play out remains to be seen. Of all the countries in the world, the United States is probably most immune to pressure of this sort.

Another concern raised about the WTO is that it will make it more costly for the United States to impose unilateral trade

sanctions. That's true. The rationale for such American vigilantism was that the international rules were inadequate. But improved dispute procedures were achieved during the Uruguay Round. If they work, the unilateral sanctions weapon should no longer be needed.

Besides honesty itself, there is another reason for the advocates of the WTO to avoid oversimplification. The isolationists should not be allowed to shape the sovereignty debate. In an interdependent global economy, sovereignty is not an us-or-them proposition. Effective intergovernmental institutions do not subvert the achievement of national will. They promote it through international cooperation.

It is true, as Gingrich says, that world government is not required for world trade. But history shows that trade governance is required. International rules will be needed until someone finds a cure for protectionism. When nations voluntarily sign a code to avoid such self-defeating behavior, they are not losing self-determi-

nation. They are achieving it.

Public officials should not hide this basic truth from the American people. Given the Uruguay Round's significant economic benefits, congressional approval of the treaty ought to be a no-brainer. But more cumbersome agreements will probably be needed in the years ahead on economic and environmental issues. Perpetuating the fiction that the United States can prosper in its own bubble of sovereignty will complicate ratification of future accords.

Achieving a delicate balance between international rule and national values will be a key task of statecraft in the decades ahead. As Europeans discovered in the Maastricht debate, managing interdependence requires trial and error. The WTO is far from a perfect institution. But it is good for the commonweal and should be approved by Congress.

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