

The failure of Cancun

Resolution of the Economic and Social Commission
adopted by the Central Council (November 2003)

The Economic and Social Commission of the European League for Economic Cooperation (ELEC), meeting in Brussels on 16 September 2003:

- ◇ **regrets** that the World Trade Organisation (WTO) ministerial meeting in Cancun, which should have marked an important stage in the Doha cycle on the liberalisation of international trade, has ended abruptly on a note of failure;
- ◇ **affirms** that this failure in no way calls the essential principles of WTO and the multilateral trade system into question, but rather arose from the lack of adequate preparation for the meeting with regard to the complexity of the negotiations at stake. It is also due to the misappreciation by some of the negotiators of the balances to be maintained, having regard in particular to the development of poor countries, in order to reach a conclusion democratically acceptable in all Member States;
- ◇ **is concerned** that the failure of Cancun threatens the multilateral nature of the regulation of international trade that has so far been pursued and may encourage the multiplication of regional agreements and discriminatory bilateral arrangements that are likely, in the long term, to undermine free trade;
- ◇ **recalls** its belief in the principles of non-discrimination and elimination of tariffs and other barriers, which are essential if international trade is to make the most of the comparative advantages of each country. These principles besides underpinned the creation of a single market in Europe, regulated by institutions responsible for ensuring that they be respected in the common interest;
- ◇ **stresses** the need for leaders of the European Union and its Member States to explain to public opinion the significance of what is at stake in these negotiations, the importance to peoples worldwide, and especially the poorest, of an orderly and fair development of trade in goods and services in a multilateral framework - which shields them far better than a bilateral setting -, and the vital nature of WTO as a forum for negotiation between sovereign states for the regulation of international trade;
- ◇ **calls for** a significant strengthening of WTO and its secretariat, for a re-balancing of its decision-making process, and for improvements to its procedural rules, such as to allow it to cope with the considerable increase in the number of its members and to enable it to take initiatives and find solutions to foster global development.

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