
Trading in knowledge?

The World Trade Organisation and Libraries

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Toby Bainton
Secretary of SCONUL
Tel: 020 7387 0317
E-mail: Toby.Bainton@skonul.ac.uk

Photos taken by Anders Ericson

Twenty-five people from twelve countries, including the celebrated journalist George Monbiot, met in Cambridge from 2 to 3 March for the EBLIDA / SCONUL seminar on trade agreements and libraries. The venue was Churchill College, in the prestigious Møller Centre, designed by the leading Danish architect Henning Larsen, an appropriate setting for an international conference, since it was funded largely as the fruit of Anglo-Danish cooperation. The little explored subject of international trade agreements, and their potential effects on libraries, has for two or three years been on the agenda of EBLIDA (the European Bureau of Libraries, Information and Documentation Associations). But until now EBLIDA has found it hard to assemble sufficient information about the background, and a prognosis for future developments has been even more problematic. The situation is complex and rarely discussed. Only when rioting erupts on the streets (as it did in Seattle in 1999) are the meetings of the World Trade Organisation considered newsworthy. Yet the gathering of librarians in Cambridge soon discovered the far-reaching potential implications for education and libraries of the WTO's deliberations, especially in the General Agreement on Trade in Services (or GATS).

INTRODUCTION

Kjell Nilsson of the Royal Library of Sweden opened the conference, welcoming the delegates and explaining that trade agreements can indeed affect libraries, and that this message needs to be spread amongst the information profession. The World Trade Organisation, with over 140 members, is a powerful body, aiming to promote and to simplify international trade. Trade may

include not only goods but also services, where libraries may become involved. Questions the seminar hoped to answer included how the General Agreement on Trade in Services might affect publicly-funded libraries, whether that might be harmful to their current arrangements, and what librarians might do about it. University libraries, though usually funded from government sources, might equally be affected through a possible acceleration of privatisation in education. The General Agreement was not the end of the story, since governments were entering into bilateral trade agreements, and even within a single country the trend may well be for public monopolies to be broken up. Within Europe, libraries would do well to examine the proposed Directive on Services in the Internal Market [COM(2004)2 final/3] which aims to present more compulsion and less choice for Member States in opening up state enterprises to competition.



Frode Bakken, President of the Norwegian Library Association and keynote speaker, George Monbiot

GEORGE MONBIOT

The keynote speaker, the author and journalist George Monbiot, argued that corporations are currently seeking to expand their opportunities for profitability by enhancing economies of scale and expanding the frontiers for capital. For the most part they achieve these aims by persuading governments to deregulate corporations, to widen their global reach and to allow corporations to conduct activities traditionally carried out by governments (privatisation).

Regulation is invariably presented as wholly undesirable, 'red tape' and 'bureaucracy' being invoked as targets for reform, whereas in fact much regulation has been introduced for the protection of consumers, workers, and citizens generally. When the UK government reduced inspections of workplaces in the 1990s (with regard to health and safety regulations) by 25%, deaths at work increased in proportion. Deregulation

brings advantage to international companies, as against smaller companies which know local conditions and markets. Some obstructions to such processes have occurred, for example in October 1998 when the French government caused the collapse of the 'Multilateral agreement on investment' by refusing to host the ratification ceremony. That agreement would have allowed companies to sue governments in respect of any legislative restriction having a negative effect on their notional future profits. However, just such an action was successfully pursued under the North American Free Trade Agreement when a US petroleum company sued the Canadian government for banning the inclusion in petrol of a compound believed to be a neurotoxin, thus inhibiting the company's exports. The Canadian government was required to pay compensation.

George Monbiot advised that the only antidote to a carefully orchestrated corporate campaign is a carefully orchestrated publicity campaign by people interested in the survival of public services. Even if privatisation were beneficial in economic terms (which in most cases it was not), public ownership remained an important principle on the grounds of the accountability it provides.

DALE HONECK

The next speaker, Dale Honeck, gave his opinions in a personal capacity, though he works for the WTO. He described how the organisation acts as a forum for negotiations and administers trade agreements. It reviews trade policies, and Dale Honeck observed how interesting it was that nations frequently have more than one, sometimes conflicting, trade policies emanating from different ministries.

Trade agreements usually work by countries making 'offers'; announcing to their trading partners that certain kinds of trade will be open to competition from foreign companies. The WTO operates on the 'offer' principle. (Before it joined the European Union, Austria, for example, made the offer that library services were candidates for foreign competition. No country has yet responded to that offer.) Transparency is an important principle for the WTO, which insists that its trade agreements be publicly known. Under GATS, so far most offers have been in respect of tourism, with health and education having the lowest number of offers. However, WTO policy is for trade to be 'liberalised progressively', so a steady increase in offers can be expected. Once a country has made an offer,

another country can take advantage of it, creating a mutual trade agreement for competition in that field.



Ruth Rikowski and Dale Honeck

A complication discussed by Dale Honeck is that the General Agreement on Trade in Services does not include 'services supplied in the exercise of government authority'. Inter-library document supply, for example, would therefore appear to be open for offer within GATS, since both libraries and commercial entities engage in it and it therefore cannot be regarded as part of the government's tasks. A major difficulty for libraries is that international civil servants may not have a clear idea about what modern libraries do. It is important for trade agreements to be made on the basis of a full understanding of the service in question.

A note of caution was raised in the final discussion after Dale Honeck's presentation. It is a well-known feature of political economy that the benefits of trade reform are relatively concentrated, whereas the people affected may be very numerous and diverse. Here is the reason for libraries to become involved – their very diversity makes them weaker than the relatively few commercial interests which might stand to gain from trade in library services.

SUSAN ROBERTSON



Susan Robertson

That point led the meeting naturally to the presentation from Professor Susan Robertson of the University of Bristol. She traced recent developments in trade policy which showed, since the 1980s, the deregulation of many protected industries (such as railways and telecommunications) so that various public or social activities had come to be regarded as elements of trade. The trend continues. Australia and New Zealand, for example, have seen very big increases in their trade in educational services. Interestingly, the government department promoting such trade is not the education department, but the trade ministry. Susan Robertson argued that such proceedings may be seen as antidemocratic – in Canada the trade negotiations are necessarily national whereas education is politically within the sphere of the provinces. From experience in New Zealand (where education earns more as an export than the wine industry), Susan Robertson argued that when services are placed firmly in the global economy they become vulnerable: some New Zealand schools became bankrupt during the recent downturn in the Asian economy. Further anxieties were the possibility of companies controlling the acquisition of knowledge; and the failure of the free trade process to help the poor. Despite the theoretical advantages of free trade, poverty may not be alleviated by it. New Zealand, often regarded as a success story since the 1980s in market reform, now has one of the highest levels of income inequality amongst OECD countries. Susan Robertson presented figures indicating increasing inequalities in income within developing countries. Poor countries, she added, are at a disadvantage through the location of the WTO offices in Geneva, where it is expensive to maintain or even send a delegation.

RUTH RIKOWSKI

Ruth Rikowski is Visiting Lecturer at London South Bank University and the author of a recent book entitled *Globalisation, information and libraries: the implications of the World Trade Organisation's GATS and TRIPS agreements* (Oxford: Chandos, 2005). Her topic was the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) whose copyright provisions are significant for libraries and information. TRIPS, drawn up in 1995, will come into effect in 2005. A complex agreement, it provides that any copyright protection extended by one country to the citizens of another country must be available to all citizens of the WTO member countries on an equal footing. TRIPS differs from most international copyright agreements by excluding any reference to moral

rights. Since moral rights can only be enjoyed by individual creators, it suggests that TRIPS is more concerned with corporate copyright than the concept of copyright itself. TRIPS requires member countries to have laws and enforcement measures in support of the agreement – such legal arrangements have existed for many years in industrialised countries but may be new to developing ones. A statement signed in 2001 by a wide variety of non-governmental organisations questioned the legitimacy of TRIPS: 'Contrary to the WTO, TRIPS is being used as a protectionist instrument to promote corporate monopolies over technologies, seeds, genes, and medicines [and] represents a significant shift in the balance in intellectual property rights protection that is too heavily in favour of private right holders and against the public interest'. Ruth Rikowski argued that since TRIPS is designed (through its exclusion of moral rights) with corporations rather than individuals in mind, we may be witnessing a move to greater control of copyright materials by larger companies. Since copyright is by definition a monopoly right, this may cause concern to librarians who have already seen inexorable, above-inflation, price rises for publications carrying scientific information.

PAUL WHITNEY

The second day of the seminar began with an expert summing up of the issues facing libraries, conducted without notes by Paul Whitney, former President of the Canadian Library Association, and official delegate (representing IFLA) to the famous meeting of the WTO in Seattle in 1999. Paul Whitney has been following the topic ever since. He foresaw that with a ministerial WTO meeting scheduled for December 2005 in Hong Kong, the next few months will be important for libraries. Education may become a key issue for WTO, since in educational institutions public and private enterprise have long been intertwined. Libraries may be caught in a pincer movement,



Paul Whitney

with the WTO aiming to deregulate and privatise government services, while international copyright law is simultaneously increasing the regulation and protection of privately-held intellectual property.

Paul Whitney pointed out that copyright and IPR generally is the one large trade area where the USA and the European Union hope to generate large trade surpluses. (Computer-based activity is already shifting, through 'off-shoring', to countries like India and China.) GATS allows member states to regulate trade in services within their jurisdiction and there is a vigorous negotiating environment with lots of give and take. International trade treaties can certainly affect public services. In order to avoid decisions taken remotely and catching libraries unawares, pressure should be applied at the domestic political level.

Acting on this advice, the seminar converted itself into a forum for practical action. Delegates to the seminar would raise awareness in their own countries. First they would need a 'manifesto' or statement, drawing attention to the situation and to the dangers of losing a publicly-run library service through misguided bargaining by negotiators who do not appreciate a modern library's functions. The message of the statement must help library associations tackle their governments. It must be jargon-free and call for a robust public sector. It would be drafted by the organisers of the seminar and presented, informally if not formally, to EBLIDA's annual council for members in Cork, Ireland, 13-14 May.