

Elements of an alternative program for world trade

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The combination of Parts I and II of this program serves both "the many ways" and "the second way" to the many ways, and prevents the world trading system from entrenching the "one true way."

Part I: the reconstructed general regime, informed by an alternative thick consensus

1. No built-in bias toward the maximization of free trade. The basic aim is to support each country in its own project of national development and to diminish interference among the contradictory demands that different such projects place on world trade.
2. Openness to a range of solutions in the combination of gradually increasing mobility for capital with gradually increasing mobility for labor.
3. Returns to labor.
 - a. Pressure to universalize standards of occupational safety, prohibition of child labor, rights to organize unions and strikes, and democratic participation in national life.
 - b. Unrestricted freedom to compete on differential wages.
4. Environmental protection. Impose environmental standards, but pay for them, when they are both important to the world and costly to the country.
Example: global equivalents to European Union funds.
5. If rich countries want exemptions from the general system (for example, for their agriculture), they must obtain the exemptions explicitly, like all other countries, under Part II of this program. They must not receive such exemptions, implicitly and automatically, as "blind spots" or "holes" in the rules of the basic trading regime.
6. Allow countries to compensate for the presence of development-inhibiting market failures through the use of subsidies, including through investment subsidies.
7. Apply a restrictive presumption to expansive definitions of the property rights recognized and enhanced by the global trading regime. Example: restrictive definition of intellectual property.

Part II: rights to opt out. A back-up, guaranteeing and deepening the service that Part I renders to development on the basis of democracy, experimentalism, and diversity.

Multiply rights to opt out of the general system defined by the reformed thick consensus of Part I. All such options out must be explicit, and they must be exercised through multilaterally agreed procedures. The exiting country must compensate for them by some proportionately diminished access to the markets of other countries, or through other means.