# Can We Keep the Solidarity Dream Alive? Caribbean and Africa in the WTO

**By:**

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The act of negotiating is not an objective one. In addition to asymmetries in knowledge and capacity, every negotiator and country representative also brings the burden or influence of their history and culture and the intersectionality of the relationship between the countries they represent. Historical and geo-political relations between countries and regions outside the negotiating table can bolster solidarity in negotiating positions. However, in 2021 when multi-polarity categorizes the trade and development landscape is it viable to rely on traditional solidarity to create consensus?

After all, one cannot look at Africa, Caribbean and Pacific- European Union (ACP-EU) relations and ignore that historical relationship fraught with colonialism and inequity. The same holds true for Korea- Japan relations or Haiti and France or even the United States and the United Kingdom. There is always a history. It often becomes more challenging to discern the unspoken tensions between apparently like-minded regions with similar developmental and negotiating goals and a somewhat shared history of colonialism.

The ACP group of countries was born out of the need for strength in numbers and made palatable through its shared history. As both a negotiating entity and a philosophy, the ACP has played an extremely valuable role in preparing, presenting and posturing the trade priorities of these three regions for over 45 years.

Emerging from the decolonization movement, the ACP has primarily been viewed through the lens of its negotiating rounds with the EU. From Lomé to Cotonou to EPAs, the focus has always been on solidarity, unity and negotiating with one voice. Recently, we have seen tears in the fabric. The approach of the EU to negotiate regional EPAs threatened to destroy the solidarity pillar, and recent whispers from some quarters that the ACP association was constraining rather than accelerating the growth of certain regions could have led to its absolute fissure. However, the Organisation of Africa Caribbean and Pacific States, as it has rechristened itself, has continued to stand tall, branching out into areas of culture and innovation in an effort to push greater intra-ACP cooperation rather than simply being defined as ‘an other’ or negotiating proxy to the EU.

Whether this experiment is successful will depend to a large part on what individual countries decide to do. Bilateral relations between the countries of the different regions have been loud on intention but slightly more muffled in action. One only has to look at the dearth of active bilateral engagement, absence of trade and transport routes and almost non-existent supply chain linkages to understand that the gap between the philosophy and act of cooperation has been wide.

The reasons for this are many, but it confirms that in negotiating settings, the ties that bind may be much more about the idea of cooperation- the notion that this is what we always did- rather than on real economic and trade evidence. The harsh truth is that if we really examined the economic arguments behind the collaboration, at least in a negotiating setting in the WTO, the most probable competitors for market access, Aid for Trade and investment opportunities are probably amongst the ACP countries themselves. With very similar factors of production, business ecosystems and development partners, the fact that the ‘A’ and the ‘C’ in the ACP have managed to remain so committed to supporting each other’s trade negotiating priorities for so long does indeed speak to the strength of the honour and loyalty of the two regions rather than on simple dollars and cents.

But how long can an alliance based on a shared history and goodwill last as countries increasingly realize that outcomes and impacts of trade negotiations are ultimately local? Citizens increasingly hold governments accountable for the kind of trade agreement they sign and what it means for jobs and incomes.

The WTO setting has always been a fascinating experiment in the African and Caribbean alliance. Through the ACP group, joint positions, papers and capacity building have proven successful. With a regional rotation adopted for the Chair of the Geneva ACP group, it is an exercise in diplomatic acumen of the highest degree to balance perspectives and priorities. The EU, through its coordination mechanism, must manage that same balancing act, but within the ACP, the difference in the levels of development and awareness can sometimes be so stark there is a risk of accepting positions where only full compromise can be sought and where the least amount of short term harm will be done. This may not always equate to the boldness or flexibility needed for trade negotiations in 2021.

One simmering tension that has been seen over the last twenty years is around issues of special and differential treatment and categorization of countries in the WTO. Under WTO formal rules, there are three categories of membership: developed, developing and Least Developed Countries. However, between those formal lines lay a series of de facto understandings around small, vulnerable economies; net food importing countries, recently acceded countries, and the list goes on. The vast majority of the Least Developed Countries are in Africa, and all of the Caribbean countries have self-designated as SVEs. The fundamentals may be similar, but the treatment is different.

Fundamentally, LDCs and SVEs are seeking more concessions and flexibilities in the negotiations. LDCs, however, are clearly identified through several economic metrics and indicators. It is simple to know whether a country is an LDC or not. The definition of SVEs, on the other hand, is a bit more nuanced, based on a notion of intrinsic vulnerability to do with the size of markets, exposure to climate change, small population size, and percentage of share of world trade- all practically static indicators that could take decades to shift, if at all. Seen as a de facto WTO category, SVEs expect to be treated with additional special and differential treatment but don't expect, at least formally, to have the level of flexibility that LDCs have.

This is where the lines can be blurred. Non- LDC African countries are embarking on very similar development paths to the SVEs in the Caribbean. Tourism, services, digital opportunities, creating more branded and luxury goods offerings, i.e. more value added, are all shared priorities. Another element that these countries all have in common is that they are slowly but surely being graduated from accessing certain levels of Aid for Trade. For some of them, accessing non-concessional financing is practically impossible. As we see some development budgets shrink due to the pandemic, we also see the narrowing of development aid partners. We see that even when projects are termed 'all ACP', that can often mean very different regional and country allocations when the planning and disbursements begin. This is because both the 'A' and the 'C' in ACP understandably target the same narrowing range of funders.

How does this all translate into a WTO context where some members of the ACP may be ready to commit to joining JSIs on e-commerce and investment facilitation when others may not be ready or may not see it as a priority? What happens when many members want to support the work on trade and gender while others do not yet have the policy go-ahead to proclaim support for looking at the impact of trade agreements on women? What is the solution in the fisheries subsidies negotiations when fleet sizes are completely different, or revenue from selling access to EEZs contributes more to a country's GDP than others? These are all issues that are currently being navigated by negotiators of the ACP countries in the WTO.

The fact remains that despite some welcome relationship building between Africa and the Caribbean in the past few years, the global trade and investment landscape is not always conducive to bloc thinking. Historical and cultural ties are intangible and important building blocks of any relationship, and it has led to a level of respect between regions and negotiators over the years that have to be acknowledged. But what happens when commerce overtakes culture and investment opportunities overtake history? The act of multilateral negotiation has never truly confronted how the inequities of the real world are brought to the negotiating table. It will have to address that, as developing countries themselves will need to start framing a response to what happens when the competition of the real world also impacts their well-curated solidarity.

The hope is that the newly elected Secretary-General of the CARICOM, Dr. Carla Barnett, will take heed of this challenge of building economic relations between the Caribbean and Africa while also understanding the sensitivities that exist in the multilateral negotiating context. It will call for a renewed relationship that understands that Africa and the Caribbean may not always have the same priorities and, in some cases, will be direct competitors for investment and development assistance. After all, the smartest way to create a relationship of mutual benefit is for all the cards to be on the table—even the difficult ones.

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