

## 11.368 - Reaction Paper 8

I thought that this week's readings were great! I have never taken the time to read about free trade and its consequences for human rights and environmental stewardship. The Clapp book was especially enlightening, but I think that the "liberal economic theory" of free trade is completely bogus. It claims that free trade, because it encourages economic growth, benefits the environment. When, in the entire history of the world, has economic growth benefited the environment? Economic growth has traditionally led to increased consumption, resource extraction, and general disregard of the environment.

The proponents of free trade give two reasons why it will benefit the environment. First, they state that free trade generates higher standards of living. In turn, higher standards of living create a demand for environmental protection. This is not a total lie. I'm sure that most people in the Northern Hemisphere are living better as a result of free trade. After all, now we can dump our toxic waste in South-East Asia. Despite my cynicism, there is another major flaw with the free trade argument. While increasing living standards may produce a demand for environmental protection in the third world, the argument gives no regard to the degradation of the environment which occurs in the process of development. As evidenced in Ecuador and Nigeria, free trade can create irreparable environmental harms.

Advocates of free trade also claim that it produces more economic capital that can be spent on environmental causes. That additional capital comes at a cost. Modernization typically creates other needs which are considered more urgent than the environment. For example, funds are usually diverted to pay for the costs incurred from population growth and disease. More significant are the funds which are stolen by corrupt political elites in developing countries. Nothing suggests that those who control the additional capital created by free trade care about protecting the environment. In fact, given that the capital was most likely produced by destroying the environment, there is no incentive to halt environmental destruction.

Finally, in a defensive move, those who support free trade argue that it is economically favorable for transnational corporations to behave in environmentally friendly ways. Unfortunately, the first chapter of the Clapp book does not explain the rationale behind this argument. In any case, the Yang article shows

that until international legal standards are revised, corporations will continue to pollute third world countries and then flee with impunity when they are challenged. From a purely economic perspective, it does make sense to choose the less expensive, environmentally destructive alternative if there are no long-term consequences. Given all these objection to the arguments for free trade, I do not see how anyone could support it as a general paradigm for the international economy.