Written by **Clinton Alexander** on December 14, 2015

# Beef and Pork Country-of-Origin Labeling Laws: WTO Favors Canada, Mexico Over U.S.

On December 7 the World Trade Organization (WTO) gave approval to Canada and Mexico to impose up to $1 billion a year in trade sanctions on the U.S. Country-Of-Origin Labeling (COOL) requirements for beef and pork. Originally part of the Farm Security and Rural Investment Act of 2002, COOL was strengthened in 2013 by Congress and the Department of Agriculture.

In Geneva, a WTO arbitration panel determined that the COOL requirements put Canadian and Mexican meat products at an unfair disadvantage against those of the United States. Thus, the panel ruled that Canada, as the largest North American Free Trade Agreement (NAFTA) partner with the United States, and Mexico, as the second largest, have the right to apply punitive tariffs on U.S. goods in retaliation for the COOL laws.

Canada has been granted the right to apply annual tariffs of $780.3 million, and Mexico $227.8 million a year.

The COOL labeling requirements, extremely popular with U.S. consumers, stipulate that packaged meat must document where the livestock animals were born, where they were raised, and the location of slaughter. However, the World Trade Organization has repeatedly called for repeal of the COOL laws, insisting that they discriminate against Canadian and Mexican meat imports.

The U.S. House of Representatives has already buckled to the pressure and passed a bill to repeal COOL laws; however, the Senate has yet to vote on the measure.



The U.S. industry's response to the WTO ruling has been mixed. Last Tuesday Colin Woodall, vice president of government affairs for the National Cattlemen's Beef Association, stated:

> We expect the tariffs Mexico and Canada … put on our products would be at a level that would basically stop the trade between our countries.
>
> Canada and Mexico have made it clear that the only way they will drop the WTO case and not retaliate is if the US completely repeals the COOL program.

Immediately, farm and ranch groups began calling on Congress to fix COOL in a way to appease Canada and Mexico, yet still allow some measure of labeling on products which originate in the United States. Ryan Goodman, a spokesman for the Montana Stockgrowers Association, is echoing a solution many are supporting:

> We are in favor of, and want to work toward, an industry-led labeling program that will give defined label terms so consumers may know when meats are born, raised, and harvested in the USA.

A solution which would not affect imported products, but which would be an agricultural equivalent of a

"Made in the USA" tag.

R-Calf USA, a national non-profit organization dedicated to ensuring the continued profitability and vitality of the U.S. cattle industry, is apparently a lone voice of dissent. In a statement immediately following Monday's ruling, R-Calf CEO Bill Bullard issued a statement, declaring in part:

> Congress should take no action to repeal COOL or weaken it by converting it to a voluntary program. Instead, Congress should direct our U.S. Trade Ambassador to negotiate a diplomatic solution to Canada's and Mexico's complaints by deploying the United States' substantial negotiating skills. After all, this is precisely how the United States resolved country-to-country disputes before the U.S. began ceding its sovereignty to the unelected and un-appointed tribunal at the WTO.

At this juncture, many politicians appear ready to ignore the more important issue of national sovereignty and bow to pressures to repeal COOL. Senate Agriculture Committee Chairman Pat Roberts (R-Kan.) declared last week, "I will continue to look for all legislative opportunities to repeal COOL."

There is an unmistakable irony in the fact that a non-profit organization whose primary focus lies with the beef industry would have more concern for U.S. national sovereignty than the very officials who have taken an oath of office to protect it.

Now, in the wake of the $1-billion ruling against the United States, the power of a foreign entity to heavily influence U.S. law is apparent, and the concerns many Americans have about the proposed TTP and TTIP treaties is apparent: At what point do the rights and concerns of U.S. citizens ever come first?

After the initial WTO ruling on May 18, which declared the U.S. trade law illegal, the advocacy group Public Citizen issued this statement:

> The WTO decision is likely to further fuel opposition to Fast Track authority for controversial "trade" pacts that would expose U.S. consumer and environmental protections to more such challenges.

What lies at the heart of the WTO ruling is national sovereignty. Must U.S. law on both the state and federal level first bow to global authority? Two international trade agreements — the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) — would exacerbate this concern many times over, and in the wake of the WTO ruling these two pacts should come under immense scrutiny.

The Trans-Pacific Partnership has been discussed over the past five years among 12 nations: the United States, Japan, Malaysia, Vietnam, Singapore, Brunei, Australia, New Zealand, Canada, Mexico, Chile, and Peru.

The TPP's stated goals are to strengthen economic ties between the nations, cut tariffs, and encourage trade. Hoping to create a new single market like that of Europe, the involved countries intend to bring economic relationships, policies, and regulations further in line with each other.

However, beneath the shiny surface of the TPP (and TTIP) lies an ugly truth — that this is a sweeping treaty that, if enacted, will allow corporate and foreign control over U.S. laws about nearly every topic.

As *The New American's* Senior Editor William F Jasper documented in this article, these are not "theoretical threats." He noted:

> Previously enacted "trade agreements" have already delivered rulings by NAFTA and World Trade

> Organization (WTO) tribunals that have overruled U.S. laws and U.S. federal and state court rulings. Georgetown University law professor John D. Echeverria has characterized this development as "the biggest threat to United States judicial independence that no one has heard of and even fewer people understand," while Hofstra University law professor Peter Spiro says it "points to a fundamental reorientation of our constitutional system."

On the back of WTO tribunals, it seems entirely plausible that corporations and foreign governments alike could sue national governments, thereby changing policy in important areas such as health (e.g., COOL labeling) and education.

The Transatlantic Trade and Investment Partnership (TTIP), a bilateral pact being discussed (in near-complete secrecy) between the European Union and the United States, aims to create the world's largest free trade zone — one that would span the entirety of the north Atlantic.

The declared objective of the TTIP is the reduction of regulatory obstructions to trade for major industrial corporations. Areas such as food safety (COOL) laws, environmental legislation, labor laws, and banking regulations are at the heart of these talks.

If Americans don't speak out against the TPP and the TTIP, they may be be surrendering their future ability to give input into nearly all lawmaking. Though that's hardly American, that's the point of the new treaties: to blunt the power of individual countries and their citizens, for the good of the world. Or if one is more realistic — for the good of politically connected corporations and bureaucrats.