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TRADE AND THE SUSTAINABLE DEVELOPMENT GOALS

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INTRODUCTION

Trade fosters sustainable development. The pursuit of the 2030 Agenda for Sustainable Development represents an opportunity for sustainability scholars to put trade goals in the larger scheme of poverty relief, innovation for climate action, and global partnerships for sustainable development. Research has led to rich and multifaceted insights, revealing the various channels through which trade can contribute to or detract from specific SDG targets and even entire goals. Such findings underscore the fact that, irrespective of an individual's sectoral or thematic focus, trade is a factor that will have a positive or negative effect across many economic sectors, including agriculture, finance, energy, and fisheries, and in thematic areas as diverse as labor and employment law, science and technology, and human rights. Each of these themes will be explored in separate sections. Our overarching aim is to encourage readers to engage with the role of trade within the SDGs and to pursue both the clarification of the part trade plays in the goals, as well as the identification of policy levers to pull in order to ensure that we accelerate the optimized contribution of trade to such mandated outcomes. Potential research questions might include overviews on evidence that trade is having positive and negative impacts on targets and SDGs or how the measures that leverage those positive drivers and limit the negatives have or have not been successful in the past, and why, or even which policy-based SDG targets are easier or harder to achieve with current trade trends and trade policy or other development funding policies that involve trade-related investments.

2. The Relationship Between Trade and the Sustainable Development Goals

The international trade regime can contribute to the achievement of the Sustainable Development Goals (SDGs) because the SDGs can be interpreted as mutually reinforcing economic, social, and environmental objectives. An increase in trade can improve material welfare, but it can also do harm. Such negative consequences to achieving the SDGs include the exclusion of indigenous communities from markets, the disappearing purchasing power of farmers in developing countries as local products are displaced by cheap processed foodstuffs, the pressure on biodiversity through the increase of farmland and fertilizer use, and global warming. The trade regime envisages removing these adverse consequences of trade through national policy measures or international negotiations, as well as providing support for genuine sustainable development strategies. There are at least two dimensions to the relationship between trade and the SDGs. The first one focuses on the impact of trade policy on the achievement of the SDGs, i.e., how trade policy acts as an instrument to realize the SDGs. The second dimension addresses the impact of policies that aim to realize the SDGs on trade and the trade regime, that is, to what extent are trade policies supportive (or not) of national policies to achieve the SDGs. Within these two dimensions, this relationship can refer to either direct or indirect channels of trade policy and impact. However, policymakers generally do not consider a comprehensive assessment of the trade-offs in trade-environment-social-economic-security policies regarding the effects on sustainable development. They consider trade in a narrow sense to promote economic growth and social standards in specific sectors. Differences between trade systems lead to unfair channeling of trade flows and disputes, reinforcing global inequalities and contributing to unsustainable development. Hence, in order to achieve the Sustainable Development Goals, we need more coherent trade regimes and international policy integration. In the absence of such integration, policymaking will only further increase the political and economic frustration of the global population.

3. Key Concepts in Trade and Sustainable Development

Trade liberalization and sustainability principles have coexisted in practice since the beginning of intertemporally extended study. This means that a country that undertakes trade and investment liberalization has indeed been presented with trade-off ratios that satisfy both development and efficiency benchmarks. Trade liberalization in a stylized view occurred in three main reforms that spanned three centuries and led to the creation of free trade agreements and less profitable arrangements, specialized Trade-Related Intellectual Property Rights, prohibition of certain trade and services, a single member-operated north-driven neutral permanent dispute settlement mechanism, and flourishing Doing Business legislation promoting market-determined closure.

The following concepts, which have been defined and developed differently by scholars, offer an interpretative lens to unpack trade effects and trade policy rules that can have sustainable outcomes with regard to the SDGs: equity, efficiency, ethical trade, a multilateral approach to trade, the share of developing countries' small and medium enterprises in global trade, and levels of economic and sustainable development. Each of these concepts will be further discussed in this section. The SDG is a global sustainable policy framework that member countries have to pursue to ensure that their domestic agenda encompasses the need for policy coherence to contribute to global outcomes and peace. The SDG lays down several global goals that all countries have to pursue through their own national plans tailored to their unique situations.

4. International Trade Agreements and the SDGs

While trade affects many dimensions of sustainable development, signing up to trade agreements has the potential to facilitate or impede a country's ability to deliver upon the targets set out in the Agenda 2030 and the Sustainable Development Goals. Trade agreements can be classified in a number of ways, with different classifications identifying different dimensions of the agreement or the trading partners involved. The impact of trade agreements, such as the reduction of tariffs or the removal of non-tariff barriers, on trade and foreign direct investment can be variable and hard to predict. It is difficult to ascribe a single and consistent characteristic to any trade agreement for entire categories, like whether preferential trade agreements are good or bad for development. We thus call for more encompassing impact assessments of trade agreements that consider all the possible economic and social impacts before the signing of trade agreements. Many trade agreements are being used as tools by governments in order to drive development policies through trade rules and practices.

The narrative that trade agreements exclude developing countries and harm elements of sustainable development is common, but is not always true, or at least not as relevant as it used to be. The good news is that trade agreements increasingly respect elements of sustainability. These agreements have been initiated by countries as part of their trade negotiations, demonstrating that Agenda 2030 and the SDGs have attracted considerable local and international political attention and have evolved into policy agendas and mechanisms.

In force since 2018, the sub-regional Economic Partnership Agreement is the first of its kind that includes an explicit aim to promote cooperation in the fight against illegal harvest and trade of timber and sustainable development impact assessments. In conclusion, trade agreements have proven to be a useful tool for international cooperation and can bring some much-needed resources to countries that need it most, as well as potential social and economic benefits. However, in order to further align trade agreements with some sustainability aspects, negotiations will have to confront issues relating to sustainability. Given that the achievements of the SDGs should be prioritized, the European Union proposed including the Paris Agreement in the trade agreement.

5. Trade Facilitation and Sustainable Development

Trade facilitation is the idea of making it easier, cheaper, and quicker for goods to cross international borders. Removing red tape, improving infrastructure and logistical systems, and streamlining and automating policies and practices all go to enhancing efficiency and reducing the cost of international trade. When containers, ships, and trucks spend less time waiting around in terminals, removal depots, and ports, goods reach markets more quickly and at a lower cost than would otherwise be the case. It is because trade facilitation is primarily concerned with reducing the cost of sending goods to customers that so much attention is paid to customs procedures. With the liberalization of trade in manufactures, enterprises can now sell their products in almost any country in the world. It is the logistic, legal, and transportation infrastructure that surrounds a market that has become the binding constraint on the amount that is traded.

Efficient trade flows are a precondition for healthy rates of trade growth, and healthy levels of financial trading are key to helping countries achieve prosperity. Trade facilitation is practical, being concerned as it is with the nitty-gritty of border procedures and friction reduction, yet it also seems to fit well in trade and poverty reduction policy. Trade facilitation has been a part of national trade growth and welfare enhancement strategies since at least 1950, when Germany started the modern-era programs of logistics improvement. In the US, interest grew after the passing of the Trade Promotion Act in 2002. Today, one of the widely quoted quantifications of the potential welfare benefits that can result from improved trade facilitation comes from a study that first appeared in a joint publication.

The study relies heavily on research first generated around 1996. According to that research, an 8.5% reduction in trading times would lead to annual welfare improvements of $250 billion, with a significant proportion going to developing countries. The 2019 World Development Report typically carries data showing just how much extra state income would be generated worldwide from trade facilitation enhancement measures. In a socioeconomic blueprint for the state of Georgia, an estimated $555 million annual benefit from three major restoration projects in landside transportation logistics was noted. Indeed, after international trade expansion, trade facilitation is the topmost item on the trade agenda for diplomats and trade policy advisors around the world. This is because the gains from cutting trading times are so concentrated. For instance, a task force report identified trade facilitation as at or near the top of the list of recommendations designed to support those who aspire to acquire knowledge and skills appropriate for trade and finance.

6. Trade and Gender Equality

This section critically explores the linkages between trade and gender equality with the aim of contributing to the broader work that aims to articulate the relevance of trade for the ambitions set out in the 2030 Agenda. The relationship between trade and gender equality is complex, with trade policies and agreements potentially facilitating gender equity or hindering it. Women continue to face numerous barriers in accessing the resources and opportunities that arise from trade and are often concentrated in sectors where industrial agriculture has pushed casualization and informalization, in turn reducing wages and working conditions. Despite their widespread and consistent disenfranchisement, women seldom are involved in the formation of trade agreements, their negotiation, or in the enterprise that flows from them, though women do make up the majority of the trade research community in many member universities and equality bodies.

Trade policies and agreements need to factor in and better address potential gender impacts at the design stage to realize the potential for trade to create sustainable and gender-equitable development outcomes. To this end, capacity building and empowerment need to be better aligned with a greater understanding of the implications of different pathways for policy, communities, and individuals, as well as affirmative action. Numerous examples of successful initiatives and capacity-building activities aimed at empowering women through trade are taking place, and much can be learned from them. Trade and gender impact analysis provides a comprehensive and evidenced basis for understanding the potential gender effects of a trade initiative and for understanding how different economic, policy, and sectoral factors may impact differently on the sexes. It is important to understand how gender dynamics intersect with trade dynamics to predict how trade liberalization or implementation of various agreements and accords or sectoral initiatives may affect the sexes and to predict the size and nature of likely effects. This is challenging, as simple binary categories do not sufficiently capture these complex dynamics alone. Gender needs to be understood in its social, political, economic, and cultural dimensions. Gender analysis needs to understand how gender power relations intersect with other power relations based on race, caste, class, and geography, for example, all of which co-determine the nature and dynamics of trade. The idea of gender-proofing trade is facile, as it suggests that a gender-neutral policy can systematically serve the needs of both men and women. In fact, men and women are situated differently in society and are constructed according to different norms, and hence it is not easy, through any trade policy, to produce similar outcomes. Women need to participate more effectively in decisions, which is meticulously elaborated in this work. It is evident that trade does not benefit everybody. It is this fact that requires the WTO to work in a global manner with other agencies to seek to ensure that the development dividends of trade help reduce poverty and injustice in the world. To ensure that trade benefits women, it has to be part of a much larger concerted set of actions to release the productive potential of women in the world.

7. Trade and Poverty Alleviation

Trade provides economic opportunities to eradicate poverty. In particular, multi-stakeholder initiatives say trade is an important tool to improve the livelihoods of the poor. Trade has resulted in economic growth in participating villages of the Lainya and Konniqui pilots. It has also improved livelihoods in trading communities in Iloilo and Crowborough. Trading has a number of positive effects. It has resulted in increased income for the poor through cocoa sales in the Lainya and Konniqui and Iloilo pilots, and has increased the price of their goods or decreased the cost of purchasing the essentials. In Crowborough, the 'spillover effects' of increased income through trading have also resulted in increases in sanitation and education.

Trading is a tool to inject cash into the country and thus alleviate poverty, but it is part of a wider informally and conflict-sensitive intervention. Trade also has negative impacts, as households with internal power dynamics can reinvest in these, further increasing income disparities. Ethical and equitable trading and value chains require that more policies are needed. It should be established, recognizing that rights, restrictions, and support differ greatly and that commercial debt and fossil fuels are not available cumulatively to the poor, and possibly longer. These rights are already stated in policy/design documents, resolutions, guidelines, reports, and best practices.

8. Trade and Environmental Sustainability

Trade and environmental sustainability are intimately related because trade activities are often key drivers of environmental sustainability, either through direct consequences or through secondary impacts. If not properly managed, trade can exacerbate environmental degradation and diminish prospects for sustainable development. Integrating environmental considerations into trade agreements, trade laws, and trade regulations is a key strategy to ensure that trade contributes to environmental sustainability, which supports broader sustainable development goals. Many gap-fillers have proposed that when trade and trade management regimes are designed well, trade can enhance environmental goods and services, contribute to species and habitat conservation, and support the provision of ecosystem services, meaningful local benefits, and poverty reduction. When trade rules seek to incentivize and scale up these positive outcomes, trade can help to shape more sustainable ecologies that are regenerating, rather than diminishing, in terms of the stocks of natural capital.

Trade policies thus contribute to broader impacts. This requires a shift in the design of trade policies; instead of making investments in resource-intensive industries, it is essential to shift these resources to resource-efficient industries. Addressing the trade aspects of full-cost pricing is not one-dimensional, and they are not simple, becoming more complex in relation to resource extraction. A range of trade instruments and methods could be used to bring supply chains into alignment with sustainable consumption and production aims. For these, we must first strengthen international collaboration for developing social and green labels and systems for new metrics that can provide the necessary data and information for designing collaborative, multi-instrumental approaches and studies. The SDGs demand these approaches and studies before we continue with business as usual designed for global effects.

9. Trade and Innovation for Development

This section investigates the interface between trade and innovation in the context of the SDGs. Open and vibrant trade in scientific, technological, and creative goods and services can sustain and amplify levels of growth and development that can contribute to further technological progress. Indeed, under certain economic and institutional conditions, trade can play a "catalytic role" in promoting not just the transfer of knowledge but also the learning and innovation that underpin development. Nevertheless, open, trade-mediated innovation ecosystems do not spontaneously emerge for many developing countries, including LDCs, LLDCs, and SIDS, where the potential "market failures" for innovation are greater. There are also important "systemic failures" that usually affect developing countries in general. It is noted that LDCs have access to significantly less foreign technology than middle-income countries and suggests that policies should therefore focus on opening up the innovation ecosystem for these countries.

Despite the huge potential of using trade to foster innovation and development, there are a number of challenges facing countries that wish to take advantage of e-enabled trade in innovation- and learning-intensive goods. These challenges include various supply-side obstacles to innovation as well as gaps in knowledge and learning-by-doing that need to be bridged. On the one hand, there are policies available to create the conditions for the emergence of viable national systems of innovation; on the other, there are ways to fashion more trade-friendly innovation policies that can provide partner countries with the means to access essential technology on the best terms without endangering their broader development strategy. Unlike many middle-income countries that can use innovation policy to build (or rebuild) an industrial base, innovation strategy for LDCs should focus on supporting the creation of globally competitive niche products and services, embodying their unique know-how. An effective innovation strategy for a niche product or service will encompass trade-related policies and include product safety testing and certification standards. The development of innovative solutions to supply chain constraints is also relevant, as is the global branding of such products and services. Treaties about geographical indications and prior and informed consent by local communities may be relevant for some LDCs; they are important ways to protect indigenous and traditional forms of technology ownership and to ensure respect and fair treatment for the individuals and communities that possess such knowledge. The value of these self-help policies should not be overstated, but they can form an essential part of a strategy for LDCs and SIDS. Most innovations and "know-how" are best developed through the interactions inside the innovation system, which stretches from universities, NGOs, and firms through to the policies for innovation. A trading strategy that encourages the flows and relationships within that system can make it much more effective. Others argue that it is crucial to ensure that knowledge can indeed be created and disseminated inside the innovation system. Above all, the ability to promote such interactions to create and transfer innovation rests on the capacity of sectors to trade. The digital divide is thus not simply a matter of basic access to digital technologies but extends to the way particular institutions and stakeholder groups enter the trade-led innovation process. Registry and administration of such knowledge in developing countries is usually weak. For such societies, having the knowledge is real strength, and allowing others to "copy" that knowledge, or failing to get recognition from the global economy, could mean that sharing that knowledge becomes uneconomic.

10. Trade and Health

1. Trade and Health There is a well-documented link between trade and health, with evidence indicating that income and health are related. In times of globalization, such links have become stronger, and trade regimes are thus inherently linked to health outcomes. Trade policies can directly affect the health of people in a divided world in four main ways. First, they influence the extent and distribution of wealth and power within and between countries. Second, they directly regulate flows of healthy and unhealthy commodities and environmental goods internationally. Trade agreements can also function to underpin strong domestic health systems and provide the appropriate policy space. Finally, trade policies can directly regulate the way knowledge, through breakthrough biomedical innovations, pharmaceuticals, and medical supplies are produced and disseminated across borders. Trade can thus be a mechanism for driving healthy development if a health lens is overlaid across policy design and negotiation. The way in which trade and health issues are related is currently an active debate. Some argue that trade in goods and services is favorable to health, while others view it as detrimental. The health and trade in goods and services literature mentions the positive aspects of internationalizing medicine and facilitating access to overseas hospitals and healthcare. Furthermore, it also discusses the potential of international trade to expand foreign investment in the healthcare industry and its potential to develop medical infrastructure, such as telemedicine in isolated regions. In addition, the potential role of trade in creating international public-private partnerships for pharmaceutical innovation is also mentioned. Despite the potential positive impact, the trade literature also concludes that the current trade regime promotes negative health outcomes,

specifically from free trade in unhealthy commodities. Furthermore, the trade regime potentially stymies equitable access to health resources through its promotion of neoliberalism, reduced social investment, and the undermining of developed nations' capacity to produce drugs for health crises. Case studies have shown that there are some attempts made by international communities to link trade to health, including the successful completion of the Declaration on TRIPS and Public Health, as well as the recent initiative to lower the price of medicines in developing countries. More relevant to this PhD, bilateral free trade agreements have been associated with differential pricing of drugs within an EU setting. Public health literature indicates that comprehensive non-discriminatory trade liberalization draws attention to the puzzling regional differences in health indicators since countries that have undergone the greatest trade liberalization paradoxically have higher mortality rates. Therefore, linking trade and public health can be an effective avenue to inform global cooperation programs.

11. Trade and Education

Trade touches on a range of education targets, as reflected in the SDGs and VNRs. In the Protocol on Education and Training, signed by the Council of the European Union and the Member States of the Southern African Development Community, South-South exchange of academic and education staff and students is recognized as a driver for capacity building and for sharing expertise. Increasing the exchange of academics and students between the global North and the global South through various educational exchange programs is how the international community has generally fostered international knowledge and skills. The UN Common Position on Education states that access to equitable, inclusive, relevant, quality, decent, and free education and lifelong learning is a prerequisite for the inclusive economic transformation necessary to foster a strong and cohesive society and create sustainable development pathways. In maintaining that international trade agreements need to support non-discriminatory access to educational materials and resources, international trade policies should also help to enable universal access to free and relevant education.

There is evidence in the VNRs of several countries that trade has helped to promote education in particular regions or sectors. In many cases, however, there is congestion in how to encourage educational and vocational training and the acquisition of technological capacity without causing "over-education," particularly if this is externally focused, at the expense of continued neglect of low technological expertise and the service sector. Viewed in terms of educational services rather than educational goods, trade does provide possibilities for vocational training. Trade allows for a specialization of factors of production among countries according to their comparative advantage in output production. Trade, and by extension, the absorption of new technology, are founded on the accumulation of specific human capabilities. An educated and skilled population is a people equipped to successfully absorb new technology. Countries' capability to both innovate and absorb technology is determined, at the country level, by several factors encompassed in the so-called systems of innovation approach. Traditionally, however, this has focused exclusively on the role of ICTs in innovation rather than taking into account the role of education and people.

12. Trade and Infrastructure Development

The main point of this section is that trade and sustainable development go hand in hand. One cannot do without the other. This is particularly true in the case of infrastructure. Good infrastructure is essential in order to enable trade. It helps trade to be conducted in an efficient manner. Conversely, trade is necessary if investments in infrastructure are to be profitable. Unfortunately, infrastructure is currently failing to keep pace with everincreasing trade. This is particularly the case in the transport sector. As a result, the passage of goods is greatly impeded.

Since the late 1990s, the economic impact of infrastructure quality has been documented in numerous studies. Data analyzed for over 150 countries confirm that the investment in and maintenance of good and efficient infrastructure in the transport sector and the reduced costs of trade associated therewith are essential in order to foster sustainable economic growth and poverty reduction. If a country's growth depends on trade, an obstacle to international exchanges will eventually hinder growth. Several case studies on the gains from improvements in infrastructure for trade have demonstrated that the benefits of enhanced infrastructure are not only confined to the economic arena but also have a positive impact at the social and environmental levels. Moreover, in a considerably detailed study on the subject, it has been reported that the gains from investment vary from one sector to another, from one country to another, and depend on the characteristics of the project. Optimum levels of investment have also been reported. Sustainability is another important aspect to be considered. A project could be economically sound but may not have a positive impact on the environment. Hence, it is crucial to invest in socially and environmentally friendly infrastructure, subject to some limitations such as cost. Resources are not available to implement the best practicable environmental options. International cooperation in terms of efficient and effective financing and implementation of technical cooperation between developed and developing countries could serve as a major impetus to infrastructure development. In the power sector, for example, investments required to meet the sustainable development goals are estimated at over $400 billion. In the transport sector, estimated requirements are over seven times this amount. Very significant investments are needed to meet the basic infrastructure needs of the global community and achieve the sustainable development goals. It is apparent, however, that progress in this field is insufficient, particularly in the case of infrastructure in developing countries and countries with economies in transition.

In conclusion, policymakers need to ensure that the investment in and maintenance and quality of infrastructure in the transport sector are given priority in order to achieve the goals set for the coming decades. In order to support the achievement of the goals agreed to by the United Nations and to enable the flows of information, people, capital, and trade and investment, countries in the developing world need good infrastructure. Should we achieve a significant cumulative increase in infrastructure quality, developing countries could reap benefits not just in terms of direct financial savings but also greater integration into the world economy and a reduction of the global income disparity between developed and developing countries. Whether developing countries will be able to double their share of many services to developed countries by 2015 is contingent on the growth of these services in the global economy and their level of development. However, the growth of each of these services and the number of services where they have a comparative or competitive advantage is, to a large extent, conditioned on the availability of adequate, well-maintained transport, energy, and communication infrastructure required to support trade.

13. Trade and Digitalization

Digitalization is transforming the way trade operates. A variety of digital tools and technologies, from simple electronic documentation to blockchain and distributed ledger technologies, can improve the efficiency, speed, and security of operations. They make global value and supply chains smaller and more accessible to small countries and small and medium-sized enterprises (SMEs). One of the most significant trends in trade digitalization is the developing area of e-commerce, which is facilitated by the role other digital technologies play in making it easier and cheaper to advertise, pay, and move goods that might be small consignments crossing many borders or digital-only products.

These tools have the potential to provide access to end customers worldwide and/or match needed products or services worldwide to suppliers. Importantly, digital technologies enable the participation in digital trade of many businesses and SMEs that hitherto had not been able to access many global value chains. As such, they can also contribute to spreading the benefits of globalization more broadly. However, the ability to do so can be restricted due to a lack of supporting infrastructure, regulatory restrictions, or other country problems relating to the digital divide between and within countries; poor e-commerce ownership, weak broadband access, or low access to the financial services needed to engage in e-commerce are examples. E-commerce can also create costs and have unintended negative consequences, especially from packaging, disposal of unsold products, especially clothing and textiles, and plastic pollution where the products are hard to recycle. By the nature of how it is mostly provided, digital trade is interconnected and has local to global and global to local impacts. These can have potential ecological and social impacts but also opportunities to help achieve sustainable development and to promote a circular economy. Hence, the trade in development mandate for creating suitable digital trade and e-commerce rules is vast.

14. Trade and Food Security

Trade is a means of enhancing food availability and access by increasing the volume and lowering the price of products available on national food markets. World agricultural trade has more than doubled in the past 25 years, enhancing food availability and, in most cases, improving food access at the national level. It can provide increased control over international food prices. There are many accelerating examples of trade within and among developing countries that have transformed food systems. At the same time, a growing number of case studies reveal that trade, often combined with strategic investments, can also directly help smallholder farmers. Sustainable food security can thus be advanced by trade, provided that one respects local conditions and rights and is pursued sustainably. Sustainable trade means, in other words, trading products and services that respect the planet and people, changing the environmental conditions on which food productivity relies. It is these factors that will determine what foods need to be traded, who the neediest people are, and what should be traded for the foods they produce. The world has committed to the cessation of adverse trade practices that affect health, and policies cannot contradict trade policies. Earlier, a number of discussions on food and trade centered on food security based on production. Food availability was based on how much was produced. In effect, agriculture can be abandoned as long as food comes from somewhere. Climate change, however, will help make food less available through production based on its possible impact on yields.

15. Trade and Water Management

Trade has a definite and immediate link with water management. Water is a crucial resource for many trade-related sectors, and trade activities do have a significant impact on freshwater resources and aquatic ecosystems. A growing and urgent concern arising from that link is the availability of water for local communities when they are put into competition with export-oriented farming activities. This happens indeed in many regions across the world, whether through the over-export of water-using products or the mismanagement of local water systems, with potential adverse effects on water quantity and/or quality for communities. Case studies highlight the dramatic situations and impacts that can result from unregulated trade patterns on the availability and accessibility of water for local communities.

International agreements adopting, among others, consensus and a preventative approach mark progress towards responsible water management in trade. Nonetheless, while the General Agreement on Trade in Services has explicit clauses giving members the right to establish and maintain, in specific circumstances, measures for the sustainable use of water resources, conflicting objectives between sustainable water use and international trade persist. The interface between trade and water is probably most drastically demonstrated with respect to agriculture, which is by far the most water-using human activity and employs majorities of workers in developing countries. While all countries need to balance their food and water concerns with trade interests, developing countries and environmentally concerned countries confront the most challenges. Policy coherence and integration between international and national policies related to trade and water management is essential for sustainable water resources management.

16. Trade and Energy Access

Access to energy in ways that support the Sustainable Development Goals is critical for reaching those goals. Trade is one way in which access to energy can be facilitated. While not always carried out under the rubric of the SDGs or sustainability, trade in energy has helped to extend access and improve energy services within developing regions. At the same time, energy security remains a challenge primarily because of import dependence in developed areas, and perhaps in the future aspirations of industrialization. In addition to trade in primary energy, trade in energy technologies is a complement to this approach and is also partially intertwined with intellectual property and corporate interests. Open trade has allowed for the diffusion and widespread use of particular sustainable energy technologies; these technologies have allowed for increased trade in sustainable energies.

Trade in sustainable energies aims to promote sustainable, often renewable, energy sources and energy technologies. However, the powers of exclusion lie with countries and corporations as much as with the hopefuls, and differing energy resources and existing pathways of infrastructure development make developing non-renewable technologies more accessible in the short to medium term for developing countries. Thus, only the integration and commercial exchanges of renewable and sustainable energies and infrastructure can gradually wean developing and developed countries and regions off the oil and gas teat in a positive, non-coercive mode. Yet, the trading of various types of energy sources raises powerful environmental concerns, so it is important to gear energy trade toward sustainability, equity, and conflict resolution in non-energy resources.

17. Trade and Climate Change Mitigation

Trade can contribute to the emission of greenhouse gases or make climate adaptation more challenging. The world needs more resilient, more climate-friendly trade practices. An ideal global trade regime would thus help trade to serve both resilience and adaptation. But achieving resilient, climate-friendly trade patterns will require climate-related goals and understanding to be better integrated into trade policy processes. In the past, trade policy has sometimes contributed to environmental decline. Some of the very first global trade policies supported transfers of products that were driving species to extinction.

A portion of trade takes place for reasons that have little to do with climate, resilience, or indeed development objectives. Global trade in services and resources that are currently driving ecological decline is a reminder that leveraging trade as a driver of social and economic goals while limiting its possible side effects remains a policy challenge. Yet trade policymakers have – at times – effectively used trade policy levers to support crucial environmental objectives. Pesticide regulation in the production of cotton in Bolivia was linked to the license to export: poor ecological objectives were trumped until market entry conditions could provide a balanced policy result. Thus, the trading system has a significant role to play in helping to finance and support the diffusion of new technology and approaches to farmers' economic development that are underpinned by sustainable pest management strategies. Instead of a lever to support farming households in reaching their financial and development objectives, trade measures have at times provided an economically efficient policy tool to support ecologically sound changes in production. And those are not in short supply.

18. Trade and Biodiversity Conservation

There is a strong interrelationship between international trade and developments around biodiversity. Trade can have impacts on habitats and ecosystems, directly leading to negative effects on species; it can alter the balance of species by introducing invasive species or transmitting diseases, and it can promote overexploitation of species. Thus, the global trading system and the bilateral relationships that build upon it have a powerful influence on how well biodiversity can be preserved. Biodiversity considerations should thus be integrated at an early stage into any trade policies and agreements. These effects depend strongly on the exact nature of trade and conservation, and there can be no 'one size fits all' solution as the impacts vary according to the commodities and areas involved.

Two case studies from the Congo Basin highlight these effects. First, bushmeat from threatened species in wildlife trade enriches local communities; while second, oil production has caused immense habitat loss. Responsible sourcing is a new concept aiming to prevent the trade in products that have caused harm to the environment or support causes that consumers find unethical. Responsible sourcing is closely related to the principles of sustainable use and equitable sharing. The impact of international trade on biodiversity depends on the way national governments and international companies approach trade and conservation. The European Union intends to support countries that agree to shun illegal trade. It is unlikely that any effective global initiatives will be in place at the time of the review, but as they do, they may bring many positive elements along that would promote greater interaction between different stakeholders. This will be particularly welcome in the long-term evolution of responsible sourcing choices. Ethical trade and environmentally friendly products are being promoted all around the world, sometimes with success. Long-term prospects for this approach are good overall, and we are likely to see a clearer association between ethical trade and global security in a few years. In short, any trade strategy that opposes the objectives of any biodiversity conventions will be inherently unsustainable. Such strategies often exploit the poor and sometimes disregard human rights as well. This is unacceptable.

19. Trade and Peacebuilding

Trade-related considerations are referenced 34 times in the SDGs 2030 Agenda; together with peace and state- and peacebuilding goals, they may pay attention to the relationship between trade and peacebuilding. Trade can act as one of the conduits for internally and externally driven processes of peace and development. In post-conflict societies, external investment, regional development, and trade initiatives have played a role in underpinning both stabilization and peace processes that were primarily driven by a national-level strategy for reconciliation. Neighboring countries with increasing trading ties are also less likely to get involved in disputes or conflicts. In Southeast Asia post-reconstruction, neither ASEAN nor East Asian countries have gone to war with one another despite being embroiled in trade conflicts.

Access to the regional market has been offered as an incentive by some peace agreements motivated by concerns related to development. Increased inclusion in trade networks and higher levels of trade can lead to peace, while inequitable trade contributes to social unrest and possibly violent conflict. Inclusive trade that helps efforts at peacebuilding would need to be sensitive to locally specific contexts and embrace more liberal forms of trade. The emphasis by observers on international trade and its facilitation by international organizations is based on the predominance of trade between states, with the consequent view that the expansion of markets can be a foundation for peace promotion. Economic liberalization is not just important because states show an interest in fostering international trade – it is further context in and structure through which trade-induced peace might be fostered. It can be a driver for broader foreign policy agendas and help to signal to the international community that each party is serious about a new relationship.

20. Trade and Human Rights

Trade and human rights are complexly interwoven. Trade has the potential to support human rights by providing economic opportunities and resources that can be used to improve the circumstances of individuals. However, trade can also violate human rights. The same conditions that make trade possible can contribute to child labor, unsafe working conditions, and political exploitation. Unrestricted trade policies offer the most profit (albeit not the most equitably distributed), and fundamental rights can be sacrificed for financial gain. An exclusive focus on unchecked trade ignores the non-economic concerns of those on the fringes of this process in favor of those who have the power to participate in the normal market processes. It is therefore essential to build human rights considerations into trade policy.

In general, it is cheaper to produce goods and services in developing countries and to use the engines of free market principles such as comparative advantage to allocate resources. Because it is cheaper to produce goods in countries with loose labor and environmental regulations, trade unions, non-governmental organizations, and other concerned activist groups are justifiably wary of increased political and regulatory power in institutions that deny legal human rights protections. Two case studies that support this reasoning are the reluctance of certain countries to grant developing countries easier access to their markets absent multilateral cooperation or significant political pressure, and the unwillingness of certain companies and the markets in which they sell to support certain products created based on child (or forced) labor. While trade does not always translate into profits for the very poor, trade carefully structured into local markets has the potential to support sustainable human rights-based development. The fair trade movement is a vibrant example of a human rights-oriented market structure.

21. Conclusion and Future Directions

This essay has offered seven different perspectives on trade and its connections with various dimensions of the Sustainable Development Goals. At its core, all of the contributions emphasize the interconnectedness of trade with various aspects of sustainable development, yet the essays span a wide range of policy areas and theoretical approaches. This introductory essay discussed three foundational themes underpinning the contributions: impacts of technological innovation, integration of trade with broader policy domains, and stakeholder perspectives on ambition and cooperation. Taken together, the essays suggest that trade is structurally connected to many of the SDGs, but that for trade to support the SDGs, policy action is urgently needed across a range of different policy domains. As the international community moves from the MDGs to the SDGs, one thing is clear: trade policy can no longer be considered in isolation. In other words, trade is not a policy domain in itself, but rather is effectively the sum of, or overarching framework through which, numerous other policy areas are managed.

The different perspectives explored in this essay bring into sharp focus the many dimensions through which trade affects the world, and the ways in which economic laws and politics intersect and overlap in different policy domains. The scholarly discourse on trade and SDGs set out in this volume offers many opportunities for future research and action. All contributors agree that 'business as usual' in international trade is far from sufficient to achieve the 2030 Agenda, and that more ambitious actions are needed if trade is to contribute positively to the achievement of the SDGs. There is then a pressing need for more focused and applied research to look at the specific areas where trade policy can have the most positive or negative effect on the achievement of certain SDGs.

This could include more detailed work on the impact of trade on poverty and hunger and on the economic performance of developing countries. It could also cover the impacts of migration facilitation and reductions of conflict created by a successful trade in materials on the achievement of these objectives. Future work also has to be done on the level and type of international governance needed, exploring both the scope for local and regional responses and the role of both formal and informal non-state actors in achieving more harmony between economic and environmental, social, and governance objectives. There is then evidence already of the negative effects of particular trade or investment agreements, but less on the types of agreements that are more likely to result in a positive contribution to sustainable development. Some early work is being carried out in these areas, indicating possible types of reforms that would have a positive impact on sustainable development. It will also be necessary to develop the metrics and approaches that could be used to measure the contribution of trade policy to sustainable development. There is considerable potential to build on the work of the Trade and Development Report and similar trade perspectives. All of this future work will require greater cooperation with both researchers and practitioners in different social and policy domains.

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