

## **WTO - Shrink or Sink!**

### **The WTO Turnaround Agenda**

It's time to turn trade around. In November 1999, the World Trade Organization's (WTO) Third Ministerial Meeting in Seattle collapsed in spectacular fashion, in the face of unprecedented protest from people and governments around the world. We believe it is essential to use this moment as an opportunity to change course and develop an alternative, humane, democratically accountable and sustainable system of commerce that benefits all. This process entails rolling back the power and authority of the WTO.

The GATT Uruguay Round Agreements and the establishment of the WTO were proclaimed as a means of enhancing the creation of global wealth and prosperity and promoting the well-being of all people in all member states. In reality, however, The WTO has contributed to the concentration of wealth in the hands of the rich few; increasing poverty for the majority of the world's peoples, especially in third world countries; and unsustainable patterns of production and consumption.

The WTO and GATT Uruguay Round Agreements have functioned principally to pry open markets for the benefit of transnational corporations at the expense of national and local economies; workers, farmers, indigenous peoples, women and other social groups; health and safety; the environment; and animal welfare. In addition, the WTO system, rules and procedures are undemocratic, un-transparent and non-accountable and have operated to marginalize the majority of the world's people.

All this has taken place in the context of increasing global instability, the collapse of national economies, growing inequity both between and within nations and increasing environmental and social degradation, as a result of the acceleration of the process of corporate globalization.

The governments which dominate the WTO, especially the United States, the European Union, Japan and Canada, and the transnational corporations which have benefitted from the WTO system have refused to recognize and address these problems. They are still intent on further liberalization, including through the expansion of the WTO, promoting free trade as a goal in itself. In reality, however, free trade is anything but 'free'.

The time has come to acknowledge the crises of the international trading system and its main administering institution, the WTO. We need to replace this old, unfair and oppressive trade system with a new, socially just and sustainable trading framework for the 21st Century.

We need to protect cultural, biological, economic and social diversity; introduce progressive policies to prioritise local economies and trade; secure internationally recognized economic, cultural, social and labor rights; and reclaim the sovereignty of peoples and national and sub-national democratic decision-making processes. In order to do this, we need new rules based on the principles of democratic control of resources, ecological sustainability, equity, cooperation and precaution.

In light of the above, we make the following demands of our governments:

**NO WTO EXPANSION** We reiterate our opposition to continued attempts to launch a new round or expand the WTO by bringing in new issues such as investment, competition, government procurement, biotechnology and accelerated tariff liberalization.

**WTO HANDS OFF: PROTECT BASIC SOCIAL RIGHTS AND NEEDS** It is inappropriate and unacceptable for social rights and basic needs to be constrained by WTO rules. Thus WTO Agreements must not apply to issues critical to human or planetary welfare, such as food and water, basic social services, health and safety, and animal protection. Inappropriate encroachment by trade rules in such areas has already resulted in campaigns on genetically modified organisms, old growth forests, domestically prohibited goods and predatory tobacco marketing.

**GUT GATS: PROTECT BASIC SOCIAL SERVICES** In particular, areas such as health, education, energy and other basic human services must not be subject to international free trade rules. In the WTO General Agreement on Services (GATS), the principle of "progressive liberalization" and the implications of foreign investment in service sectors has already led to severe problems.

**TAKE TRIPS OUT: RESTORE NATIONAL PATENT PROTECTION SYSTEMS** We demand the removal of the Trade Related Intellectual Property Rights Agreement (TRIPS) from the WTO. There is no basis for inclusion of intellectual property claims in a trade agreement. Additionally, the TRIPS agreement promotes monopoly by transnational corporations; prevents access to essential medicines and other goods; leads to private appropriation of knowledge and life forms; undermines biodiversity; and keeps poorer countries from increasing their levels of social and economic welfare and developing their technological capacity.

**NO PATENTS ON LIFE** The patenting of life forms must be prohibited in all national and international regimes.

**FOOD IS A BASIC HUMAN RIGHT** Measures taken to promote and protect food security and sovereignty, subsistence farming, humane farming practices and sustainable agriculture must be exempt from international free trade rules. There must be a prohibition on export subsidies and other forms of dumping of agricultural products, especially on third world countries. The trading system must not undermine the livelihood of peasants, small farmers, artesinal fishers and indigenous peoples.

**NO INVESTMENT LIBERALIZATION** The WTO Trade Related Investment Measures (TRIMS) Agreement must be eliminated. All countries and especially third world countries must have the right to use policy options (such as local content policy) to increase the capacity of their own productive sectors, especially small and medium enterprises. Obviously, the TRIMS review must not be used to extend the investment issue in WTO.

**FAIR TRADE: SPECIAL AND DIFFERENTIAL TREATMENT** Special and differential rights for third world countries must be recognized, expanded, and operationalized in the world trading system. This is to take into account the weak position of third world countries in the international trading system. Without the enforcement of special and differential rights, there can be no possibility of third world countries benefitting from world trade.

**PRIORITIZE AGREEMENTS ON SOCIAL RIGHTS AND THE ENVIRONMENT** Actions taken to implement multilateral agreements dealing with the environment, health, development, human rights, safety, indigenous peoples' rights, food security, women's rights, workers' rights and animal welfare cannot be challenged at or undermined by the WTO.

**DEMOCRATIZE DECISION-MAKING** People must have the right to self-determination and the right to know and decide on international commercial commitments. Among other things, this requires that decision-making processes in negotiations and enforcement at international commercial bodies be democratic, transparent and inclusive. The WTO operates in a secretive, exclusionary manner that shuts

out most third world country Members and the public. It is dominated by a few powerful governments acting on behalf of their corporate elites.

**DISPUTE THE SYSTEM** The WTO dispute settlement system is unacceptable. It enforces an illegitimate system of unfair rules and operates with undemocratic procedures. It also usurps the rulemaking and legislative role of sovereign nations and local governments.

A socially just international trade system will also require change outside the WTO. Given the attacks by multinational corporations and governments on basic workers rights; the reversal of the gains of workers' struggles; the undermining of job security; and the race-to-the-bottom in wages, workers rights must be strengthened worldwide.

Also, the International Monetary Fund, the World Bank, and the regional development banks must write off 100% of the debts owed to them by poor countries. The use of structural adjustment conditionality to force trade liberalization in third world countries and elsewhere must be stopped. Governments must negotiate, through the UN system and with full democratic participation, a binding agreement to ensure that corporate conduct is socially and environmentally responsible and democratically accountable.

## **CONCLUSIONS AND CONSEQUENCES**

We are committed to a sustainable, socially just and democratically accountable trade system. Thus, as a first step, we demand that our governments implement the changes listed in this document in order to roll back the power and authority of the WTO and turn trade around.

We commit ourselves to mobilize people within our countries to fight for these demands and to defy the unjust policies of the WTO. We will also support other people and countries who do so with international solidarity campaigns.

We pledge to carry the Spirit of Seattle around the world.