

TOP 10 REASONS TO OPPOSE THE WORLD TRADE ORGANIZATION

1. The WTO only serves the interests of multinational corporations

The WTO is not a democratic, transparent institution, but its policies impact all aspects of society and the planet. The WTO rules are written by and for corporations with inside access to the negotiations. For example, the US Trade Representative relies on its 17 “Industry Sector Advisory Committees” to provide input into trade negotiations. Citizen input by consumer, environmental, human rights and labor organizations is consistently ignored. Even requests for information are denied, and the proceedings are held in secret.

2. The WTO is a stacked court

The WTO’s dispute panels, which rule on whether domestic laws are “barriers to trade” and should therefore be abolished, consist of three trade bureaucrats who are not screened for conflict of interest. For example, in the tuna/dolphin case that Mexico filed against the US (which forced the US to repeal its law that barred tuna from being caught by mile-long nets that kill hundreds of thousands of dolphins each year), one judge was from a corporate front group that lobbied on behalf of the Mexican government for NAFTA.

3. The WTO tramples over labor and human rights

The WTO has refused to address the impacts of free trade on labor rights, despite that fact that countries that actively enforce labor rights are disadvantaged by countries that consistently violate international labor conventions. Many developing countries, such as Mexico, contend that labor standards constitute a “barrier to free trade” for countries whose competitive advantage in the global economy is cheap labor. Potential solutions to labor and human rights abuses

are blocked by the WTO, which has ruled that it is: (1) illegal for a government to ban a product based on the way it is produced (*i.e.*, with child labor); and (2) governments cannot take into account “non commercial values” such as human rights and the behavior of companies that do business with vicious dictatorships such as Burma when making purchasing decisions.

4. The WTO is destroying the environment

The WTO is being used by corporations to dismantle hard-won environmental protections, which are attacked as “barriers to trade.” In 1993 the very first WTO panel ruled that a provision of the US Clean Air Act, requiring both domestic and foreign producers alike to produce cleaner gasoline, was illegal. Recently, the WTO declared illegal a provision of the Endangered Species Act that requires shrimp sold in the US to be caught with an inexpensive device allowing endangered sea turtles to escape. The WTO is currently negotiating an agreement that would eliminate tariffs on wood products, thus increasing the demand for timber and escalating deforestation.

5. The WTO is killing people

The WTO’s fierce defense of intellectual property rights—patents, copyrights and trademarks—comes at the expense of health and human lives. The organization’s support for pharmaceutical companies against governments seeking to protect their people’s health has had serious implications for places like sub-Saharan Africa, where 80 percent of the world’s new AIDS cases are found. The US government, on behalf of US drug companies, is trying to block developing countries’ access to less expensive life-saving drugs. For example, the South African government has been threatened with a WTO challenge over pro-

posed national health laws that would encourage the use of generic drugs, ban the practice of manufacturers offering economic incentives to doctors who prescribe their products and institute “parallel importing,” which allows companies to import drugs from other countries where the drugs are cheaper.

6. The US adoption of the WTO was undemocratic

The WTO was established out of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) negotiations. On December 1, 1994, Congress approved GATT under Fast Track during a lame-duck session of Congress. Fast Track limits public debate by not allowing amendments. The approval of the WTO required entire sections of US laws to be rewritten to conform with the WTO rules, similar to the way that treaties often redefine how the US will interact with other nations. Had the agreement been voted on as a treaty, requiring a two-thirds majority in the Senate, it would have been defeated.

7. The WTO undermines local development and penalizes poor countries

The WTO’s “most favored nation” provision requires all WTO member countries to treat each other equally and to treat all corporations from these countries equally regardless of their track record. Local policies aimed at rewarding companies who hire local residents, use domestic materials, or adopt environmentally sound practices are essentially illegal under the WTO. California Governor Grey Davis recently vetoed a “Buy California” bill that would have granted a small preference to local businesses because it was WTO-illegal. Under the WTO rules, developing countries are prohibited from following the same policies that developed countries pursued, such as protecting nascent, domestic industries until they can be internationally competitive.

8. The WTO is increasing inequality

Free trade is not working for the majority of the world. During the most recent period of rapid growth in global trade and investment (1960 to 1998) inequality worsened both internationally and within countries.

The UN Development Program reports that the richest 20 percent of the world’s population consume 86 percent of the world’s resources while the poorest 80 percent consume just 14 percent. WTO rules have hastened these trends by opening up countries to foreign investment and thereby making it easier for production to go where the labor is cheapest and most easily exploited and environmental costs are low. Companies cut wages and jobs in developed countries, saying they must in order to be “globally competitive.”

9. The WTO undermines national sovereignty

By creating a supranational court system that has the power to levy big fines on countries to force them to comply with its rulings, the WTO has essentially replaced national governments with an unaccountable, corporate-backed government. For the past nine years, the European Union has banned beef raised with artificial growth hormones. The WTO recently ruled that this public health law is a barrier to trade and should be abolished. The EU has to roll back its public health protections or pay stiff penalties. Under the WTO, governments can no longer act in the public interest.

10. The tide is turning against free trade and the WTO!

There is a growing international backlash against the WTO and the process of corporate globalization over which it presides. Movement-building by coalitions such as People’s Global Action against the WTO in Europe and the Citizen’s Trade Campaign in the US are growing fast, as public support dwindles for corporate-managed free trade. Recent polls show that 58 percent of Americans agree that foreign trade has been bad for the US economy, and 81 percent of Americans say that Congress should not accept trade agreements that give other countries the power to overturn US laws. (Too late!). The WTO has no public mandate to exist. Thousands will be in Seattle from Nov. 30 to Dec. 3 to demand that the WTO cease and desist from further negotiations and instead, review and repair the damage done under WTO regimes in the last four years.

For more information on the World Trade Organization, visit www.globalexchange.org or contact Juliette Beck at 415-255-7296 x 254.