

WTO: Down for the Count

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The WTO has never recovered from the unexpected blow that tens of thousands of protestors dealt it on the streets of Seattle in December 1999. Ever since, the WTO has been groping groggily along the ropes, trying to gain a foothold but never really making a convincing comeback. Doha in 2001 was its best chance, but even then the show of strength was a reflection of post-September 11 boosterism rather than the WTO's own recovery.

The announcement on Monday that the G6 talks had collapsed and that, most likely, the Doha Round negotiations will be put on indefinite hold is good news for developing countries and, in several of the articles below, we explain why.

However, there are many risks ahead: first of all, the US and the EU will be much more aggressive in pushing for free trade agreements (FTAs) and economic partnership agreements (EPAs). For many developing countries, these are potentially even more dangerous than the WTO because the demands frequently go beyond WTO commitments, especially in the areas of investment, intellectual property and services, and also because they are exposed to a one-on-one negotiations with the big powers. Some commentators argue that this puts developing countries at a great disadvantage, and use this argument as a defense of the WTO. On the other hand, experience in several countries show that the public debate on FTAs is much more lively and contested than that on the WTO, simply because the negotiations are local, rather than in far away Geneva.

The other risk is that many of the poorest countries with the least bargaining power in trade negotiations will cling to the WTO because it is the only table where they are allowed to sit, even if they are being offered only crumbs. The tragedy is that they are being pushed into defending an institution and trade regime which continually abuses and exploits their countries. In reality, most of the trade liberalisation in many of the least developed countries (LDCs) was under structural adjustment programmes imposed by that other great multilateral institution, the World Bank.

Now is the time for the South to emancipate itself from the WTO, to stop clinging to the false idols of trade liberalisation, export markets and growth. Now is the time for creative thinking, for genuine South-South cooperation which, rather than benefiting the transnational corporations, builds diverse and dynamic local and regional economies, creates jobs and protects livelihoods, and uses trade policy as a tool rather than a weapon.

All of this requires political solidarity, bravery and imagination, plus the willingness to walk away from the ring leaving the WTO staggering on the

ropes.

In this issue of Focus on Trade, Walden Bello and Aileen Kwa assess the reactions to and consequences of the collapse of the Doha talks. We have also included part of a longer briefing paper prepared by the Food Sovereignty Network which gives a detailed analysis of the issues and divergences behind the collapse.

Not to lose sight of the WTO's Washington cousins, we are publishing a "call to arms" for campaigners on the the Bretton Woods institutions "IMF: shrink it or sink it". You can sign on by clicking the link and scrolling to the end of the text. And, just for the record, in the months after Seattle, the international trade campaign network, Our World is Not for Sale, drafted an campaign strategy document entitled "WTO: shrink it or sink it". IMF - be warned!

Press Release

CIVIL SOCIETY GROUPS CELEBRATE COLLAPSE OF DOHA ROUND: THE BEST OUTCOME FOR WORLD'S POOR

GENEVA, 25 July 2006: Monday's collapse of the Doha Round is the best outcome the WTO can deliver to the world's poor. From the outset, the WTO's logic of trade liberalisation did not meet the more complex needs of countries struggling to tailor domestic trade policy to the specific needs of their industries and agricultural producers. The institution, instead, became the playground for the major trading powers to capture markets for their corporations, paying no heed to the impact on Southern producers and industries, nor to the unemployment caused.

According to Walden Bello, Executive Director of Focus on the Global South the idea that the Doha Round was a "development round" could not have been farther from the truth.

"Whilst trade can be a medium for development, from the very start, the aim of the developed countries was to push for greater market openings from the developing countries while making minimal concessions on their part. Invoking development was simply a cynical ploy to make the process less unpalatable," he said.

"The collapse of the Doha Round is good for the poor. With the unraveling of the WTO talks, the task should now be to shift to creating alternative frameworks and institutions other than the WTO and its neo-liberal bilateral or regional counterparts, and to build trade mechanisms that would make trade truly beneficial for the poor."

Gathered here in Geneva are civil society movements from around the world. These groups have come to Geneva to register their protest against the Round. Speaking on behalf of the Fisherfolk Movement in the Philippines, Pablo Rosalez comments, "We are happy that the talks have been suspended indefinitely, but we would be even happier if the suspension becomes permanent. The time for reflection should be used to think about development without the WTO."

Small farmers, represented by the international coalition Via Campesina, also here in full force, are equally upbeat. Says their spokesperson, Henry Saragih of Indonesia, "We're celebrating this occasion. Today's outcome has also been the result of movements pressuring their governments in their capitals. We have worked hard in Indonesia, pressuring our government to stop agricultural imports which have pushed our farmers out of their jobs.

"Via Campesina has always called for the WTO to get out of agriculture. Now is the time for Food Sovereignty. The WTO should also get out of all sectors. We will continue to pressure the WTO to stop the negotiations completely," he said.

Welcoming the latest developments, Joseph Purugganan of the Philippine-based "Stop the New Round Coalition" added, "It is time to think of a world beyond Doha, a world beyond the WTO, and start building and strengthening people's alternatives. We want an alternative system of global trade that protects livelihoods, promotes food sovereignty, secure jobs, and facilitates access to basic human needs such as water, education, healthcare and affordable medicines. This alternative system is anchored on cooperation and not competition, where people's welfare matter more than profits."

Civil society groups will celebrate the collapse of the Round in this week with the following events:

Wednesday 26 July, Bains des Paquis, 8pm Concert Celebrating the Collapse of the Doha Round, Cultural night and Video showings. There will be musicians from the Philippines and Korean street theater.

Thursday 27 July, 45 Quai Wilson, 5pm Fluvial Parade and Parallel Celebratory Demonstration to the WTO. Using the traditional Philippine boats constructed here in Geneva, the artisanal fisherfolk, together with a flotilla of yachts and other boats will sail towards the WTO from Palais Wilson. This will be a display of resistance to the WTO and a call for a permanent end to the Round. Simultaneously, farmers and other activists will march from Palais Wilson to the WTO.

ORGANIZERS:

Fisherfolk Movement-Philippines/ Forum Social Lémanique/ Focus on the Global South/ ATTAC/ Marche Mondiale des Femmes/ La Via Campesina/ Uniterre/ CADTM/ Coordination Paysanne Européenne/ Hemispheric Social Alliance/ Friends of the Earth International

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