

PRESS RELEASE

The Doha Deception Round: a recipe for unemployment

Monday 5 December 2005, by [STRICKNER Alexandra](#), [WAGHORNE Mike](#) (Date first published: 2 December 2005).

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'After ten years of the WTO, unemployment has climbed around the world. There has been an increase in dirty, dangerous and degrading work. Much of that employment is precarious. Many more people are being driven into the informal, unprotected and unregulated economy from both the formal economy and from the devastated livelihoods of peasant and family farming. In transnational corporations (TNCs) many employees increasingly find themselves in a casualised, precarious relationship with the companies they produce for but no longer work for.'

So say over a hundred social movements, trade unions and NGOs in releasing a statement on the employment and unemployment effects of the present WTO negotiations. Yet, according to the statement, when the world's trade ministers put their signatures to the founding document of the WTO, their very first sentence committed them to raising standards of living, ensuring full employment and a large and steadily growing volume of real income. The reality today, according to the civil society statement, sees entire countries giving up hope in employment as a means to development and empowerment.

International Union of Foodworkers spokesperson Peter Rossman notes that, 'for developing countries, "diversification" into flowers and "niche" products is being promoted as a solution to the collapse of agricultural commodity prices. In the global countryside, there is more unemployment, more hunger, more food insecurity. Those who help to feed the world are increasingly unable to feed themselves.'

Henry Saragih, international co-ordinator of La Via Campesina, claims that 'Increased liberalization of trade in agricultural products brought disastrous effects for peasants based agriculture. The only winners were the global agri-food TNCs. These TNCs are driving the overproduction and export of food crops from a handful of producer countries, driving down prices and eliminating millions of jobs, fuelling the massive migration of agricultural workers, peasants and family farmers from the countryside and sending waves of dispossessed people into already

overcrowded cities or abroad, where they lack the most basic protection of their rights.'

The groups' statement also casts its eye over the likely impact of the non-agricultural market negotiations (NAMA). These negotiations threaten to aggravate the situation in developing countries for industrial, fisheries and forestry products. They are being pressured to significantly reduce their tariffs on these goods. Whilst this may lower the costs for these goods, it will often be at the expense of current and future employment. 'Fisheries and forests provide livelihoods and essential nutrition and medicines for millions of people across the world', according to Jacques-chai Chomthongdi from Focus on the Global South.' Ninety percent of fishers worldwide - nearly 40 million people - are employed in small-scale artisanal fishing and these men and women are overwhelmingly impoverished. A further 13 million are employed in the formal forestry sector and more than 1.6 billion depend on forests for their livelihoods. WTO proposals to fully eliminate tariffs in both of these sectors could have extremely serious consequences for these people'.

Carla Coletti, from the International Metalworkers Federation points out that 'if cheap imports flood countries with weak industrial sectors, these industries could be wiped out, causing higher unemployment. In countries where such industries are yet to be established, these imports will prevent the development of the kinds of sustainable industrial employment that is often the route to development. Current negotiations will deliver neither decent employment nor development and may cause massive unemployment and the destruction of existing livelihoods.'

Are services, the fastest growing employment sector, the magic recipe for employment creation, the statement asks. The services negotiations depend on governments privatising, outsourcing or otherwise liberalising their services sectors as a basis for being able to make irreversible commitments under the GATS. "None of these measures has a good record in terms of employment: people either lose jobs or have insecure, lower quality and low-paid jobs,' says Mike Waghorne, from Public Services International 'Many multinational enterprises are footloose and have a history of quitting as soon as profits slow down or dry up, leaving service workers stranded, competing for more hamburger-flipper or call-centre jobs.

The groups conclude that the current trade->growth->development paradigm is a failure, as even World Bank, IMF and OECD data is beginning to acknowledge. Florence Proton from ATTAC Switzerland summed up the groups' feelings by noting: 'More trade can sometimes create growth. Yet we must always ask: what kind of growth; growth for whom? Today it is jobless growth. Trade and domestic growth statistics today are meaningless indicators of true national wealth, the well-being of the people of a country. What ultimately counts is whether farmers and workers are on the way to obtaining decent incomes and decent working conditions and livelihoods.

No matter what kind of deal is patched together in Hong Kong, the fundamental rules of the WTO are a recipe for job destruction. For working people and small rural producers, there is nothing on the table, and a "Development Round" deal to get the negotiations "back on track" will only spell more unemployment and social dislocation. For this reason, the trade union and civil society organisations who have signed the statement call on WTO members to:

- put a moratorium on the present negotiations; and
- undertake full public assessments of the employment, social, environmental and cultural impacts of existing trade and investment rules.

Copies of the statement in five languages, with all of the signatories, can be found at www.world-psi.org/wtoandjobs
"<http://www.world-psi.org/wtoandjobs>"

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