

Launched in 1995, the World Trade Organization (WTO) completed the Bretton Woods trio with the World Bank, and the International Monetary Fund in promoting neoliberalism and corporate globalization. The WTO was particularly special in its power to legally enforce and penalize countries, taking away the policy space of governments, and on several occasions, forcing them to change their national laws in order to implement global free trade rules.

Not long after its launch however, new negotiations to deepen the rules and expand the reach of the WTO had failed thanks to massive protests in Seattle (1999), Cancun (2003), Hong Kong (2005), and the controversies around massive agricultural subsidies in the north. Recent years have seen it stalemated into an impasse but despite the lack of progress in the expansion, the existing 60 agreements that are in place in the WTO are still currently being implemented.

Under the WTO logic, each country should specialize in what they can produce best -what is called their “comparative advantages”- and then trade these products in exchange for products that other countries produce best. This logic however promotes the construction of market-oriented and imbalanced economies that focus on the demands of the market rather than the needs of their people on the ground. These export-oriented economies also bleed Mother Nature in order to exploit the most out of it provoking disruptions in the environment as we are seeing now with climate change, biodiversity loss and the destruction of ecosystems. This is the capitalist logic – nature is just a thing to be exploited for profit.

The real beneficiaries of this imbalanced trade rules of the WTO are the transnational corporations since in reality, they are the ones that have more “comparative advantages” than fledgling national and domestic infant industries. In a world of free trade flows - as the WTO aspires – transnational corporations are free to enter and move between countries, choosing those with cheap labor and relaxed regulations and at the same time able to exit and move out just as easily after it has exhausted and grabbed the natural resources, leaving in several cases, their toxic waste.

Resistance to the WTO

The Battle in Seattle '99

In 1999, my friend moved to Seattle, where he was hit with rubber bullets, tear-gassed in the face, and nearly arrested by police. He had joined the famous protests of the WTO Ministerial Conference, widely known as the Seattle Protests. The Occupy Wall Street of their time, they focused on globalization rather than the excesses of finance. And, quite like the Occupy Wall Street of their time, they were often mocked by critics as silly, aimless, and overly hand-wringing about the future.

In the decade that followed, the Seattle protests came to seem as not only silly, but also misguided. It is a shame, because the worries of the Seattle protesters have been proven right on nearly every count. Seattle protesters effectively shut down the WTO Ministerial.

The Battle in Cancun '03

The collapse of the World Trade Organization (WTO) talks in Cancun, Mexico in September of 2003 was no doubt a great victory for the global justice movement. While it is true to say that the failure to produce a deal at Cancun was the result of a revolt inside the corridors of the Ministerial by the G23 of developing nations (led by Brazil, India, China and South Africa), there is no question that the protests outside on the street also contributed directly to the fall of the WTO.

That meeting broke down when the United States and other wealthy nations clashed with Brazil, India, and a group of developing countries over several issues, including the reluctance of rich nations to dismantle their farm-subsidy programs. Broadly speaking, the main goal of many developing countries is a significant cut in the subsidies that the United States, the European Union, and other rich-country governments give their farmers.

An unprecedented level of unity and common cause was achieved among almost all the different strands of protesters on the streets. This unity paralleled the endeavor of the developing nations inside the Ministerial who managed to scuttle the plans of the US, the European Union, Japan and sundry allies, stalling the implementation of the latest round of global trade liberalization. Outside on the streets, a

Korean farmer committed suicide, reminding everyone that the issues at stake were a matter of life and death. Later, the protesters spectacularly tore down the fence and a series of impressive direct actions were carried out. The WTO exited Cancun in disarray, and the protesters danced in the streets in triumph, joined by official delegates from developing countries and accredited NGOs (Non-Governmental Organizations) from inside the Ministerial. This surprising tactical convergence of uncomfortable allies produced extraordinary results that have to be taken into strategic account for future mobilizations.

Hong Kong '05

13–18 December, 2005 saw hundreds of delegates and ministers descend upon Hong Kong for the 4th World Trade Organization (WTO) Ministerial meeting, one of the most important meetings in the world. Continuing from the earlier “Doha round” (which was supposed to start off a round of talks on issues to help developing countries in world trade as it was recognized that the global trading system was unequal and unfair for most of the world), this meeting was billed as a “Development Round.”

However, the concerns from previous years remained, including the lack of transparency and democracy in the decision-making processes, and the power that the rich nations have over the poor to distort trade in their favor.

TRIPs

The TRIPs Agreement is a multilateral WTO agreement and, as such, applicable to all 147 members of the WTO. It is also binding for every country that accedes to the WTO. The Agreement’s general obligations require countries to apply the principles of national treatment (same treatment of foreign title holders and domestic title holders) and most favored nation treatment (same treatment of foreign title holders regardless of their country of origin).

Unlike most other international agreements on intellectual property, TRIPs sets minimum standards of protection with respect to all forms of intellectual property: copyright, trademarks and service marks, geographical indications, industrial designs, patents, layout designs of integrated circuits, and trade secrets

Today, while the British and other industrialized powers systematically apply the Intellectual Property Rights Treaty (Trade Related Aspects of Intellectual Property Rights – TRIPs) with in the WTO, to demand payments from developing countries such as India, less than three centuries ago they had no qualms about copying Indian production methods and design specifically in the textiles field.

A Brief history of the GATT & WTO

The General Agreement on Tariffs and Trade (GATT), which was signed in 1947, is a multilateral agreement regulating trade among 153 countries. According to its preamble, the purpose of the GATT is the "substantial reduction of tariffs and other trade barriers and the elimination of preferences, on a reciprocal and mutually advantageous basis."

The GATT functioned *de facto* as an organization, conducting eight rounds of talks addressing various trade issues and resolving international trade disputes. The Uruguay Round, which was completed on December 15, 1993 after seven years of negotiations, resulted in an agreement among 117 countries (including the U.S.) to reduce trade barriers and to create more comprehensive and enforceable world trade rules. The agreement coming out of this round, the Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, was signed in April 1994. The Uruguay Round agreement was approved and implemented by the U.S. Congress in December 1994, and went into effect on January 1, 1995.

This agreement also created the World Trade Organization (WTO), which came into being on January 1, 1995. The WTO implements the agreement, provides a forum for negotiating additional reductions of trade barriers and for settling policy disputes, and enforces trade rules. The WTO launched the ninth round of multilateral trade negotiations under the "Doha Development Agenda" (DDA or Doha Round) in 2001. The WTO's website provides information about the Doha Round, including links to texts that have been generated by the negotiations and information regarding upcoming meetings.

GATT and WTO materials are available in the Goodson Law Library and in Perkins. The online database Trade Law Guide also contains WTO resources. The Davis Library at the University of North Carolina has been a depository library for GATT materials, and continues to receive most of the materials published by the WTO.

Info links & citations

<http://www.law.duke.edu/lib/researchguides/gatt/>

<http://focusweb.org/content/confront-climate-emergency-we-need-dismantle-wto-and-free-trade-regime>

<http://www.theatlantic.com/business/archive/2014/01/the-dark-side-of-globalization-why-seattles-1999-protesters-were-right/282831/>

<http://www.daysofdissent.org.uk/cancun.htm>

<http://www.washingtonpost.com/wp-dyn/articles/A19432-2004Jul27.html>

<http://www.globalissues.org/article/570/wto-meeting-in-hong-kong-2005>

A Glance in the Rearview Mirror
Eric Toussaint

This small tome cannot hope to elaborate in its entirety the WTO. Much remains to be written, and as much has been done, more awaits.

The General Agreement on Tariffs and Trade (GATT) & World Trade Organization (WTO)

An Introduction

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The author finds himself unable to avoid preconceived notions, and strong bias when writing this, and any other pieces about the GATT or WTO. He finds himself at a loss of objectivity concerning these matters.

