

# Top Ten Reasons to Oppose the World Trade Organization

*The World Trade Organization is writing a constitution for the entire globe. The trade ministers and corporate CEOs who control the WTO would like you to believe that its purpose is to inspire growth and prosperity for all. In reality, the WTO has been the greatest tool for taking democratic control of resources out of our communities and putting it into the hands of corporations. But an international movement is growing to oppose the corporate rule of the WTO and replace it with a democratic global economy that benefits people and sustains the communities in which we live. And importantly, we are winning!*

## 1. The WTO Is Fundamentally Undemocratic

The policies of the WTO impact all aspects of society and the planet, but it is not a democratic, transparent institution. The WTO's rules are written by and for corporations with inside access to the negotiations. For example, the U.S. Trade Representative gets heavy input for negotiations from 17 "Industry Sector Advisory Committees." Citizen input by consumer, environmental, human rights and labor organizations is consistently ignored. Even simple requests for information are denied, and the proceedings are held in secret. Who elected this secret global government?

## 2. The WTO Will Not Make Us Safer

The WTO would like you to believe that creating a world of "free trade" will promote global understanding and peace. On the contrary, the domination of international trade by rich countries for the benefit of their individual interests fuels anger and resentment that make us less safe. To build real global security, we need international agreements that respect people's rights to democracy and trade systems that promote global justice.

## 3. The WTO Tramples Labor and Human Rights

WTO rules put the "rights" of corporations to profit over human and labor rights. The WTO encourages a 'race to the bottom' in wages by pitting workers against each other rather than promoting internationally recognized labor standards. The WTO has ruled that it is illegal for a government to ban a product based on the way it is produced, such as goods produced with child labor. It has also ruled that governments cannot take into account "non commercial values" such as human rights, or the behavior of companies that do business with vicious dictatorships such as Burma when making purchasing decisions. The WTO has more power to punish countries that violate its rules than the United Nations has to sanction violators of international human rights standards.

## 4. The WTO Would Privatize Essential Services

The WTO is seeking to force national governments to privatize essential public services such as education, health care, energy

and water so that these sectors are open to multinational corporations. The WTO's General Agreement on Trade in Services, or GATS, includes a list of about 160 threatened services including elder and child care, sewage, garbage, park maintenance, telecommunications, construction, banking, insurance, transportation, shipping, postal services, and tourism. When free trade and corporate globalization turn public services over to private for-profit corporations, those least able to pay for vital services—working class communities and communities of color—are the ones who suffer the most.

## 5. The WTO Is Destroying the Environment

The WTO is being used by corporations to dismantle hardwon local and national environmental protections, by attacking them as "barriers to trade." The very first WTO panel ruled that a provision of the U.S. Clean Air Act, requiring both domestic and foreign producers alike to produce cleaner gasoline, was WTO illegal. The WTO also declared illegal a provision of the Endangered Species Act requiring shrimp sold in the United States to be caught with an inexpensive device allowing endangered sea turtles to escape. The WTO is now attempting to deregulate service industries such as logging, fishing, water utilities, and energy distribution, leading to further exploitation of natural resources.

## 6. The WTO is Killing People

The WTO's fierce defense of 'Trade Related Intellectual Property' rights (TRIPs)—patents, copyrights and trademarks—comes at the expense of health and human lives. The WTO has protected pharmaceutical companies' 'right to profit' against governments seeking to protect their people's health by providing lifesaving medicines in countries in areas like sub-Saharan Africa, where thousands die every day from HIV/AIDS. Developing countries won an important victory in 2001 when they affirmed the right to produce generic drugs (or import them if they lacked production capacity), so that they could provide essential lifesaving medicines to their populations less expensively.

Unfortunately, in 2003, many new conditions were agreed to that will make it more difficult for countries to produce those drugs. Once again, the WTO demonstrates that it favors corporate profit over saving human lives.

### **7. 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 United Nations 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.

### **8. The WTO is Increasing Hunger**

Farmers produce enough food in the world to feed everyone – yet because of corporate control of food distribution, as many as 800 million people worldwide suffer from chronic malnutrition. According to the Universal Declaration of Human Rights, food is a human right. In developing countries, as many as four out of every five people make their living from the land. But the leading principle in the WTO's Agreement on Agriculture is that market forces should control agricultural policies—rather than a national commitment to guarantee food security and maintain decent family farmer incomes. WTO policies have allowed dumping of heavily subsidized industrially produced food into poor countries, undermining local production and increasing hunger.

### **9. The WTO Hurts Poor, Small Countries in Favor of Rich Powerful Nations**

The WTO supposedly operates on a consensus basis, with equal decision-making power for all. In reality, many important decisions get made in a process whereby poor countries' negotiators are not even invited to closed-door meetings – and then 'agreements' are announced that poor countries didn't even know were being discussed. Many countries do not have enough trade personnel to participate in all the negotiations or to even have a permanent representative at the WTO. This severely disadvantages poor countries from representing their interests. Likewise, many countries are too poor to defend themselves from WTO challenges from the rich countries, and are forced to change their laws rather than pay for their own defense.

### **10. The WTO Undermines Local Level Decision-Making and National Sovereignty**

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. Developing countries are prohibited from creating local laws that developed countries once pursued, such as protecting new, domestic industries until they can be internationally competitive. California's former Governor Gray Davis vetoed a "Buy California" bill that would have granted a small preference to local businesses because it was WTO-illegal. When the WTO was created in 1995, entire sections of U.S. laws were rewritten. Many countries are even changing their laws and constitutions in anticipation of potential future WTO rulings and negotiations.

### **11. There are Alternatives to the WTO**

Citizen organizations have developed alternatives to the corporate-dominated system of global economic governance. Together we can build the political space that nurtures a democratic global economy that promotes jobs, ensures that every person is guaranteed their human rights to food, water, education, and health care, promotes freedom and security, and preserves our shared environment for future generations. Check out the International Forum on Globalization's Alternatives to Economic Globalization: A Better World is Possible (available on the Global Exchange online store).

### **12. The Tide is Turning Against Free Trade and the WTO!**

International opposition to the WTO is growing. Massive protests in Seattle of the 1999 WTO Ministerial brought over 50,000 people together to oppose the WTO—and succeeded in shutting the meeting down. In 2001, the WTO had to go to Qatar - a country that effectively lacks freedom of speech rights - to launch a new round of negotiations. The WTO met in Cancún, Mexico in September of 2003, and met thousands of activists in protest. Developing countries refused to give in to the rich countries' agenda of WTO expansion and the talks collapsed! Find out how you can help Stop the WTO!

## **GET INVOLVED!!**

**\*EDUCATE** your community and connect with local corporate issues through bringing speakers, videos, and books like GX's Globalize This! The Battle Against the World Trade Organization and Corporate Rule, available on our website.

**\*SPEAK OUT** to your Member of Congress about the WTO and other free trade issues. Urge him or her to reject the expansion of the WTO and other free trade agreements. Find helpful resources for these and more ideas at [www.globalexchange.org](http://www.globalexchange.org)

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