

# Ten Arguments Against the World Trade Organization

Adapted from the website of Global Exchange, [www.globalexchange.org](http://www.globalexchange.org). Another version of this article can be found in *Globalize This! The Battle Against the World Trade Organization and Corporate Rule*, edited by Kevin Danaher and Roger Burbach. See Resources, p. 370.

## 1. THE WTO ONLY SERVES THE INTERESTS OF MULTINATIONAL CORPORATIONS.

The WTO is not a democratic institution, and yet 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 United States 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.

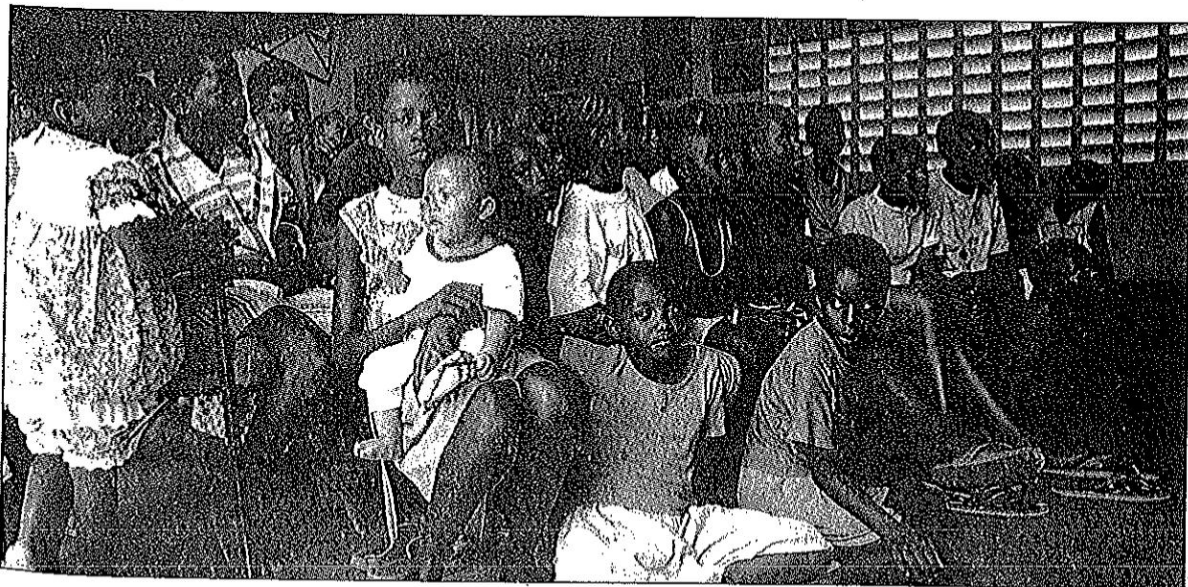
## 2. THE WTO IS A STACKED, SECRETIVE COURT.

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 conflicts of interest. For example, in the tuna/dolphin case that Mexico filed against the

United States — which forced the United States to repeal its law that barred tuna from being caught by mile-long nets that kill hundreds of thousands of dolphins each year — one of the judges was from a corporate front group that lobbied on behalf of the Mexican government for NAFTA.

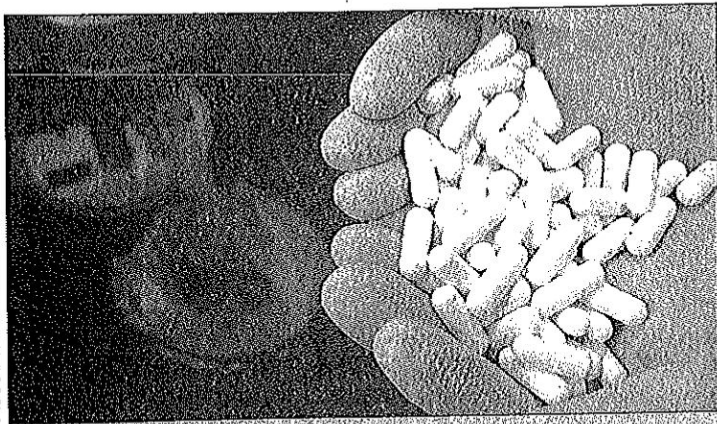
## 3. THE WTO TRAMPLES OVER LABOR AND HUMAN RIGHTS.

The WTO has refused to address the impact of free trade on labor rights, despite the fact that countries that actively enforce labor rights are disadvantaged by competition from 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, for example, that it is illegal for a government to ban a product based on the way it is produced (e.g., with child labor), and that governments cannot take into account the



Associated Press/Khaili Senosi

AIDS orphans at a children's center in Mombasa, Kenya. Several African nations have accused drug companies of charging too much for anti-AIDS drugs, thus limiting their availability.



Capsules of the anti-AIDS drug Indinavir.

## "Lives Before Profit"

This was a common protest sign in the demonstrations in South Africa and other parts of the world in the spring of 2001. People demanded that drug companies make available generic versions of anti-AIDS drugs at low cost. The movement against the AIDS epidemic is growing, but so is the disease. Consider these facts:

- In 2001 there were over 36 million people living with AIDS/HIV.
- 1.3 million children under 15 years of age have AIDS, the overwhelming majority were born to mothers with HIV.
- Sub-Saharan Africa which has only 10% of the world's population has 70% of the world's HIV/AIDS-infected people, 80% of AIDS deaths, and 90% of AIDS orphans.
- More than 2 million adults die each year of AIDS, creating millions of orphans.
- As of 2000 more than 10 million children under 15 had lost their mother or both parents to AIDS.
- Between 1990 and 1997 the number of people infected with HIV/AIDS more than doubled, from less than 15 million to more than 33 million.

One reason that people are so angry at the drug companies is that the companies make so much money off this epidemic. For example, according to Oxfam, an international aid organization, the anti-AIDS drug stavudine anti-retroviral costs \$6.10 per daily dose in Uganda, where it is marketed by Bristol-Myers Squibb, but just 55¢ in Brazil where it is produced generically. Brazil and India are among the few countries in the world that started local anti-AIDS drug production before World Trade Organization (WTO) rules on intellectual property rights were applied.

More than 880 million people lack access to health services, and 2.6 billion people lack access to basic sanitation.

"So many of our brothers, sisters and children have died, and I could be the next one to die." Ms. Mabele, leader of the organization Positive Women, told a *New York Times* reporter in South Africa. "Why do they put profits over our lives? Life is such a beautiful thing."

behavior of companies that do business with vicious dictatorships such as Burma (Myanmar).

### 4. THE WTO IS DESTROYING THE ENVIRONMENT.

The WTO is being used by corporations to dismantle hard-won environmental protections, which they call barriers to trade. In 1993 the very first WTO panel ruled that a regulation of the U.S. Clean Air Act, which required both domestic and foreign producers alike to produce cleaner gasoline, was illegal. In 1998, the WTO declared illegal a provision of the Endangered Species Act that requires shrimp sold in the United States to be caught with an inexpensive device that allows endangered sea turtles to escape. The WTO wants to eliminate tariffs on wood products, which would increase the demand for timber and escalate 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% of the world's new AIDS cases are found. The U.S. government, on behalf of U.S. drug companies, is trying to block poor countries' access to less expensive, generic, life-saving drugs. For example, the South African government has been threatened with a WTO challenge over proposed 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 U.S. 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 a "fast track" arrangement 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 U.S. laws to be rewritten to conform with the WTO rules, similar to the way that treaties often redefine how the United States will interact with other coun

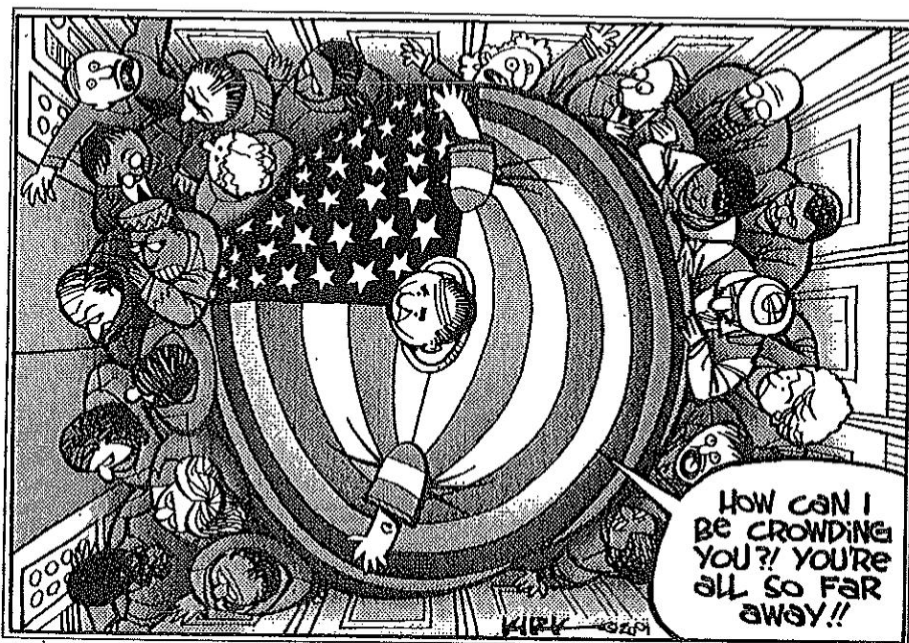
tries. Had the agreement been voted on as a treaty, requiring a two-thirds majority in the Senate, it would have been defeated.

### 7. THE WTO UNDERMINES LOCAL DEVELOPMENT AND PENALIZES POOR COUNTRIES.

The WTO's "Most Favored Nation" provisions require all of the 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 that hire local residents, use domestic materials, or adopt environmentally sound practices are essentially illegal under the WTO. Under the WTO rules, "developing" countries are prohibited from following the same policies that so-called developed countries once pursued, such as protecting young 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 U.N. Development Program reports that the richest 20% of the world's population consumes 86% of the world's resources, while the poorest 80% consumes just 14%. 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 where environmental costs are low. This pulls down wages and environmental standards in "developed" countries that have to compete globally.



### 9. THE WTO UNDERMINES NATIONAL SOVEREIGNTY.

By creating a supranational court system that has the power to economically penalize countries to force them to comply with its rulings, the WTO has essentially replaced national governments with an unelected, unaccountable, corporate-backed government. After the European Union (E.U.) banned beef raised with artificial growth hormones, the WTO ruled that this public health law is a barrier to trade and should be abolished. The E.U. has to rollback its ban 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, the Direct Action Network, the Citizen's Trade Campaign, the Fifty Years Is Enough Network, and the Alliance for Sustainable Jobs & the Environment are growing fast, as public support for a corporate-managed global economy dwindles. ■

For case studies of how WTO decisions have affected local businesses and economies, visit our website:  
[www.rethinkingschools.org/rg](http://www.rethinkingschools.org/rg)