

"Be the change you wish to see in the world."

Second Saturdays
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“Free” Trade for Everybody!

“In the ten years of its existence, WTO panels composed of corporate attorneys have ruled that: the US law protecting sea turtles was a barrier to "free trade"; that US clean air standards and laws protecting dolphins are too; that the European Union law banning hormone-treated beef is illegal. According to the WTO, our democratically elected public officials no longer have the rights to protect the environment and public health.

Unlike United Nations treaties, the International Labor Organization conventions, or multilateral environmental agreements, WTO rules can be enforced through sanctions. This gives the WTO more power than any other international body. The WTO's authority even eclipses national governments.”

– Global Exchange
(<http://www.globalexchange.org/campaigns/wto/>)

The March of Progress

In our lifetimes, we’ve seen the inexorable rise of globalization and world trade. Business leaders tell us that this change was inevitable, a natural progression of the free market, and that it alone is responsible for the standard of living we enjoy, the prosperity of some formerly Third World countries, and the innovation and development of new technologies.

But did it really have to be this way? Is globalization really inevitable? Or more precisely, is this *type* of globalization inevitable? Is free trade really “free”? And who exactly benefits?

Sure, you can buy shoes that were made in China for less than the cost of dinner at a sit-down restaurant, and DVD players have become so cheap that they’re downright disposable, never mind the easy availability of food that’s traveled halfway across the globe. In that sense, sure, we’ve reaped the benefits of globalization. And there can be no doubt that the countries that produce those shoes and DVD players and food have economies rapidly making up for lost ground to join the rest of the industrialized nations of the world.

But at what cost? Not only to our own economy and theirs, but to our citizens, our quality of life, our cultural traditions, our environment, our well-being, our health, and our futures...and those of all the world?

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Because there can also be no doubt that to accomplish this unprecedented march of economic “progress” has required an exploitation of resources – financial, natural, cultural, and human – that promise to wreak devastation and harm for generations to come. Forests are being chopped down at alarming rates, water is becoming increasingly scarce, workers are laboring for longer periods in dangerous conditions for inexcusable pay, families are put under increasing stress, government are taking away rights and freedoms...the list goes on and on.

The World Trade Organization (WTO) is dedicated to the furthering of business and capital to the exclusion of all else. Supporters believe in the infallibility of the free market, that the system is self-correcting and flawless, and that it operates best when it isn’t hampered by regulation or restriction. To that end, the WTO works on behalf corporate interests to soften or entirely eliminate anything that it views as a barrier to the free market: labor laws, environmental regulations, zoning codes, water rights, government laws, democratic freedoms...anything and everything that stands in the way of profit and the bottom line is targeted by the WTO.

What’s forgotten in this neverending industrialization of our humanity and our natural world is that, as Harvard medical economist Rashi Fein put it, “we live in a society, not an economy”. That is to say that human beings were not created to serve the bottom line, nor the corporate interests of an international conglomerate. Human beings not only seek but *need*, as the Declaration of Independence puts it so eloquently, “life, liberty, and the pursuit of happiness”. Increasingly, however, this ordering of priorities has been shunted aside by powerful, well-financed interests and in the process, the Invisible Hand is squeezing the life out of the beating heart of society.

“U.S.-based Harken Energy Company wanted to exploit oil off the coast of Costa Rica, a country known for its long history of democracy as well as its pristine natural parks and natural resources. But the Costa Rican government denied the permit because the oil exploration would negatively impact Costa Rica's environment. Harken attempted to sue the government for \$57 billion -- more than the country's entire GDP. The case was eventually settled in local courts. But if CAFTA is approved, Harken would have the right to sue the Costa Rican government for expropriation. Then the Costa Rican people would be left with two options: let Harken drill for oil and damage the environment, or pay them potential lost future profits.”

– From “Free Trade and the Environment” by Deborah James:
(<http://www.globalexchange.org/campaigns/wto/Environment.html>)

Is the WTO Really *That* Bad?

Top Reasons to Oppose the WTO

(<http://www.globalexchange.org/campaigns/wto/OpposeWTO.html>)

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 rules are written by and for corporations with inside access to the negotiations. For example, the US 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 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.
4. **The WTO Would Privatize Essential Services** -- The WTO is seeking to privatize essential public services such as education, health care, energy and water. Privatization means the selling off of public assets - such as radio airwaves or schools - to private (usually foreign) corporations, to run for profit rather than the public good. 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. In some countries, privatization is already occurring. Those least able to pay for vital services - working class communities and communities of color - are the ones who suffer the most.

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5. **The WTO Is Destroying the Environment** -- The WTO is being used by corporations to dismantle hard-won local and national environmental protections, which are attacked as "barriers to trade." The very first WTO panel ruled that a provision of the US Clean Air Act, requiring both domestic and foreign producers alike to produce cleaner gasoline, was illegal. The WTO declared illegal a provision of the Endangered Species Act that requires shrimp sold in the US to be caught with an inexpensive device allowing endangered sea turtles to escape. The WTO is attempting to deregulate industries including logging, fishing, water utilities, and energy distribution, which will lead to further exploitation of these 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 for 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 September 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 UN 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.

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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 even 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 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 Governor Gray Davis vetoed a "Buy California" bill that would have granted a small preference to local businesses because it was WTO-illegal. Conforming with the WTO required entire sections of US laws to be 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 international 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.
12. **The Tide is Turning Against Free Trade and the WTO!** -- International opposition to the WTO is growing. Massive protests in Seattle of 1999 brought over 50,000 people together to oppose the WTO—and succeeded in shutting the meeting down. When the WTO met in 2001, the Trade negotiators were unable meet their goals of expanding the WTO's reach. In Cancún, Mexico and Hong Kong, China, the WTO met thousands of activists in protest, scoring a major victory for democracy. Developing countries refused to give in to the rich countries' agenda of WTO expansion - and caused the talks to collapse!

Mandatory Reading & Other Resources

Links:

- **The Yes Men** – the official movie website
(<http://www.theyesmen.org/>)
- **"WTO"/GATT** – the satirical “WTO” website operated by The Yes Men
(<http://www.gatt.org/>)
- **World Trade Organization** – the official WTO website
(<http://www.wto.org/>)
- **Global Exchange -- WTO Campaign** – activist website with links to WTO watch sites, literature, action for ordinary citizens, etc.
(<http://www.globalexchange.org/campaigns/wto/>)
- **International Agriculture and Trade Policy (WTO Watch)** – information resource on international issues regarding agriculture and trade affected by the WTO
(<http://www.tradeobservatory.org/>)
- **Public Citizen -- Global Trade Watch** – citizen and consumer group that tracks international corporate activity and government regulation changes and advocates for change
(<http://www.citizen.org/trade/>)

Books:

- *Challenge to Power: Money, Investing, and Democracy* by John Harrington
- *Invisible Government* by Debi Barker and Jerry Mander
- *Rethinking Globalization: Teaching for Justice in an Unjust World* by Bill Bigelow and Bob Peterson