

# The WTO 20 years after the 'battle of Seattle'

More than two decades after its creation, the WTO's promise of prosperity and job creation has not been fulfilled.

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**On** the 20th anniversary of the protests against the World Trade Organization (WTO), evidence of its harm to workers, health care, farmers, and the environment - and particularly to developing countries - has proven its critics right.

On that cold winters' day in Seattle, the proponents of the WTO model of corporate globalisation were seeking to launch a new "Millennium" Round of liberalisation.

Labour unions and environmentalists, development advocates and public interest groups voiced their opposition, and faced state security forces who doused them with tear gas and pepper spray, shot them with rubber bullets, and arrested them by the hundreds - the vast majority of whom were exercising their democratic rights.

At the time of the protests, the WTO was less than five years old. But critics had already seen how the largest corporations in the world had succeeded in using its founding - and the good name of trade in promoting prosperity - to achieve a new set of agreements covering not just trade in goods but also trade-related investment measures, trade-related intellectual property (IP) rules, agriculture and services.

These new agreements, far from the original goals of multilateralism, gave new rights to trade (which are exercised by corporations) and constrained government regulation in the public interest.

Predictions of increased jobs and prosperity under the WTO system have failed abysmally. Inequalities have soared, leaving hundreds of millions impoverished while

billionaires metastasise like cancer.

This is because corporate elites hijacked "trade" and rigged the rules to distribute income upwards, while reducing protections for people who work. Highly paid professionals (like doctors) are [protected](#) (by being able to regulate their own licensing) and businesses are given market access rights and predictability. Meanwhile workers are forced into unfair competition without a [minimum floor](#) for protections, and developing country workers have been kept at the lowest levels of the global value chains.

This is a far cry from the goals of multilateralism at its birth, which included achieving full employment.

While labour movements lost in their efforts to ensure minimum standards of protections for workers, Big Pharma won in its efforts to spread maximalist [IP protections](#) - a far bigger distortion of "free trade" than tariffs - and one that has cost untold lives as prices of medicines skyrocketed.

The environment has suffered as countries use environmental exploitation as a comparative advantage, and trade is responsible for a growing percentage of the greenhouse gases that contribute to climate change.

Likewise subsidies for the environmentally damaging production of oil and gas remain undisciplined, while countries have successfully [sued](#) each other in the WTO for directing subsidies towards greener fuels, especially if they try to create jobs at the same time.

As rich countries have been allowed to maintain their level of agricultural subsidies (which are mostly handed out to large producers, not family farms), developing countries have not been allowed under WTO rules to subsidise food production for domestic consumption to guarantee food security, nor to protect their farmers from [unfair dumping](#).

Unfair agriculture rules contribute to global food crises and the impoverishment of millions - there are still nearly a billion hungry people in the world - and keep developing countries from benefitting from fair trade. And yet the US is currently suing India in the WTO for implementing the largest [food security programme](#) in the history of the world.

After Seattle, supporters of the WTO were able to get developing countries to agree to a new round of trade talks only by claiming it would be a "development" round, i.e. one that put the needs of developing countries at its heart.

Since then, unfortunately, developed countries have never delivered on their promises to address the constraints that bad WTO rules put on development. In ministerial after ministerial, and I have attended every one since the one held in [Doha](#) in 2001, they have refused to agree to the [development agenda](#), of fixing WTO rules that constrain development, and instead pushed forward an agenda of further liberalisation, even when their own workers, patients, farmers and environment came under fire.

The reality is that most developing countries that have gained from trade have done so by [exporting to China](#), whose growth is usually attributed to its divergences from the WTO model.

And now Big Tech industry wants to use the WTO to write a new constitution for the [global \(digital\) economy](#), to give them rights to access markets and to permanently privatise the biggest resource in the world - data - while handcuffing governments from regulating the industry in the public interest.

They are also [seeking new rules](#) to limit even further their [tax liabilities](#); to ensure an unlimited supply of cheap labour, stripped of its rights, and to prevent their having any accountability to the communities in which they operate.

At a time when most conversations regarding Big Tech are around the need for stronger antitrust and tax enforcement, and how their model of surveillance capitalism should not be allowed to shape the contours of our media, democracy, human rights, education and social relationships - or even how to break them up - they are working through the WTO, without public debate, to gain a new constitution that will consolidate their power and profits. They are aiming to conclude a new "plurilateral" in the WTO among nearly half the membership, by the next Ministerial in June 2020 in Kazakhstan. (Hint: the [same provisions](#) are in [the "new" USMCA](#) - in fact they are one of top gains celebrated by big business).

The WTO's Dispute Settlement Mechanism (DSM) is facing an existential crisis due to the Trump administration's blocking of appointments, and everyone expects that the judicial arm of the WTO will be neutered as of [December 11](#).

In reality, the problem with the dispute system is that it adjudicates according to a set of rules guided by corporate interests. In the 45 cases in which members have tried to use public interest regulations as a defence in a case, [commercial interests have won](#) out 44 times.

Thus, there is a crisis in the WTO, but it is one of its own making. The crisis is that people around the world have suffered through nearly 25 years of a damaging pro-corporate trade model, encapsulated by the WTO, and the domestic policies of austerity that have led to uprisings on four continents, mass migrations, and the election of right-wing governments in many countries.

To regain stability - and ensure true prosperity for their peoples - governments must address the fundamental flaws of the current system of corporate-led globalisation, not expand and entrench power imbalances.

We all need a global economy that facilitates decent jobs, access to affordable medicines, healthy food, and a thriving environment.

Nearly all governments agreed to this mandate through the Sustainable Development Goals (SDGs) and Agenda 2030 in 2015. The rules of the global economy should be shaped around ensuring that trade can help achieve these goals, but at the minimum it should not constrain governments from doing so.

A blueprint for achieving such an economy is **outlined** in "A New Multilateralism for Shared Prosperity: Geneva Principles for a Green New Deal" published by the UN

Conference on Trade and Development (UNCTAD) which is inspiring fresh thinking on the topic around the world.

The solution to the current conflicts on trade policy is not a false nationalism that nonetheless expands corporate control, nor a defense of the current failed corporate system. We need a wholly different system than that embodied in the WTO, just as the protesters clamoured for in Seattle 20 years ago. That will require a multilateral vision of ecological stability, shared prosperity, and leadership committed to that vision. Until then, we can expect more crises.

***The views expressed in this article are the author's own and do not necessarily reflect Al Jazeera's editorial stance.***