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Draft WTO Texts Show Broad Differences Among WTO Members The Doha Round Needs a Quiet Burial

Minneapolis/Geneva - The draft texts released today by the WTO on new trade rules for agriculture and industrial products reflect the broad divergences that remain between WTO Members over the Doha Round, according to the Institute for Agriculture and Trade Policy. The possibility for concluding the Doha Round this year as scheduled is becoming increasingly remote.

"The deterioration of trade talks is not surprising," said Alexandra Strickner, Director of the Geneva Office of the Institute for Agriculture and Trade Policy (IATP). "The whole premise of the Doha Round — that deep tariff cuts and agricultural rules that ignore food security and livelihood concerns are the goal — is wrongheaded. Most countries are not interested in the radical tariff cuts being pushed by a few developed countries and still fewer developing countries; they cost too much monetarily in lost revenues and politically in lost jobs."

The texts released today indicate that it is improbable that the Doha Agenda can be salvaged this year. Much will depend on what Trade Ministers decide when they descend on Geneva next week. The U.S. is currently boxed into a corner after a new economic simulation of the U.S. agriculture proposal confirmed that the U.S. proposal has so many loopholes it may actually increase the allowable amount of domestic agriculture spending. In addition, U.S. Congress support for free trade is mixed at best and Congress has experienced a number of bruising battles over trade recently. Regional free trade agreements have either been stalled or have barely passed and some members of Congress have taken an increasingly hostile stance towards the WTO negotiations.

"WTO Members are confronting a hard reality," said Carin Smaller, trade expert for the Geneva Office of IATP. "The contradictions between promised benefits at the global level and more complicated realities on the ground are harder and harder to explain. People around the world are becoming aware of how the liberalization of trade and finance is adversely affecting their daily lives."

Smaller said, "Cheap food, clothing or electronic goods are of little use to people who cannot earn a living in decent working conditions. The deregulated markets sought by free traders today tend to concentrate wealth and undermine public access to decision-making."

"The Doha Round needs a quiet burial," Smaller added. "We need to turn toward devising multilateral trade rules focused on improving people's livelihoods and providing the space for poor countries to develop their economies."

IATP has posted the WTO draft texts on its web site at: www.tradeobservatory.org.

The Institute for Agriculture and Trade Policy works globally to promote resilient family farms, communities and ecosystems through research and education, science and technology, and advocacy.