



International Gender and Trade Network

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No to the WTO agenda! No to the WTO Doha Round!

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IGTN wishes you a Merry Christmas and a New Year with all the strength needed to continue the struggle for a just world and for women's empowerment!

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WTO MINISTERIAL: MORE OF THE SAME. By Karen Lang, OWINFS and Graciela Rodríguez, IGTN Global Coordinator.

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IGTN PUBLICATION New IGTN Working Paper! Unlocking the Development Box: Markers Along the way towards a gender sensitive Development Agenda. By Mariama Williams, IGTN Research Associate.

IGTN STATEMENT TO THE WTO MINISTERIAL IN GENEVA FROM 30 NOV – 2 DEC 2009

Nothing more could attest to the failure of the neoliberal dogma than the current global crises. Pure faith in the market as the sole and most efficient allocator of resources for society has dominated all aspects of economic policy (finance, trade, investments, public services delivery) and had negative consequences on people's lives across nations, classes, ethnicities and gender.

More than ever, the fallacy of unbridled trade liberalization as a policy approach to achieve growth has been unmasked by the crisis. For one side, trade liberalization processes were linked to financial services deregulation, contributing for speculative bubbles to emerge rather frequently, thus increasing instability. On the other side, the liberalization of trade in goods, services and investment has meant greater integration of the economies, without the necessary protection of local production, people's

livelihoods, gender equality and human rights. That meant developing countries became even more vulnerable to shocks coming from the North. One thing the financial crisis has made clear: there is no such thing as a level playing field. Which Southern country can compete with an American industry bailed-out with billionaire stimulus packages? In an unequal system, the less developed must have Special and Differential Treatment.

In this process of growing trade and investment liberalization – that deepened the international division of labor – gender inequalities have played a substantive role. The search for cheap labor profited in many countries and regions from the increase in gender inequalities – and hence from female labor, which is instrumental to globalized production.

Furthermore, many developing countries have lost their capacities for food self-sufficiency. The penchant for export-oriented industrialization and agriculture without concomitant linkages to the domestic economy has also been proven unsustainable as export demand in most

developed countries fall to their lowest levels in light of the global recession. The food crisis has likewise taken the toll on women since food security in the household has always been one of the socially-assigned roles for women.

Further, unsustainable patterns of production and consumption in industrialized countries continue to stress global natural resources and have created risks associated with climate change: the North continues to incur an ecological debt to the South. Nevertheless, it is still those impoverished countries in the South that find themselves compelled to export more in order to pay off their ever-increasing financial debts.

Liberalization weakens even further the role and capacity of the state to provide public services, thus limiting access of the poor to public education and health care, specially women and girls as in many societies families tend to prioritize boys education and health care when those services are privately handled and there is a lack of resources in the family.

Further, women's burden is increased because, by not taking reproductive work into account – to which women are primarily responsible –, these development policies are based on the assumption that women's work may be expanded to replace the cut in public services provision.

1. THE AGREEMENT ON AGRICULTURE (AOA), FOOD SOVEREIGNTY AND THE RIGHT TO FOOD

Trade liberalization in agriculture fostered by the AoA has diminished the capacity of developing countries to protect their domestic agriculture from the deluge of cheap and highly-subsidized agricultural imports from developed countries. This has led to the bankruptcy of local food producers and loss of food security for many small farmers and laborers in the South.

On account of their socially ascribed roles, women everywhere become default providers of food and other needs of social

reproduction in the face of market and state failures. As production and exchange conditions become less regulated, women are facing increased tensions as they struggle with the work demands of both production and unpaid social reproduction.

Furthermore, women continue to have more difficulty than men in acquiring land, agricultural credit, and market access. Women small-scale farmers often lack the equipment required for food production on a commercial scale. This situation reached a critical point during the food crisis and more recently the financial crisis and the credit constraints it entails.

- Ensuring food sovereignty and the right to food for peoples and nations should be at the heart of any rural development and trade policy.

- The WTO disciplines on agricultural trade liberalization have sacrificed food sovereignty in favor of profit-driven transnational agribusiness. For this reason, agriculture must be taken out of the WTO.

2. GENERAL AGREEMENT ON TRADE IN SERVICES (GATS), SOCIAL REPRODUCTION, FINANCIAL AND ENVIRONMENTAL SERVICES

Trade in Services has always been a fundamental issue for IGTN because the liberalization of services had a clear impact on public provision of basic services and therefore on women's increased unpaid work.

Technically, services liberalization does not mandate privatization, but the logic of the process opens the way for greater privatization. Continued pressure for progressive liberalization is reducing the flexibility and policy options available to developing and developed countries alike.

In the absence of public provision of basic services, women are likely to increase their load of unpaid work in order to fulfill the gaps of services the family cannot find in the public system or pay for in the market.

In times of crises, these risks are increased as there is an overall stress on household budgets due to less credit liquidity. Yet, while it is now common sense to talk about re-regulation of the financial sector in order to avoid future speculative bubbles and credit crunches, WTO negotiations paradoxically contain, under the Financial Services Agreement (FSA), a whole agenda of deregulation that will do nothing but maintain “business as usual” or worst, increase the likelihood of future crises.

Another critical issue in GATS negotiations is the liberalization of environmental services. In a moment when COP15 is being converted to a business fair and the environment is being negotiated as a commodity, the WTO is once more playing a role in marketizing nature.

- Services essential to social reproduction should be excluded a priori from GATS.

- Financial services should not be further liberalized and previous deregulation should be revised in view of the needed policy space to respond to the financial crisis.

- No environmental services negotiation should be undertaken in the WTO in order to avoid the mercantilization of life in favor of transnational corporations.

3. NON-AGRICULTURAL MARKET ACCESS (NAMA) AND AUTONOMOUS INDUSTRIALIZATION

Developing countries are being prevented from pursuing an industrialization strategy that uses a combination of trade policies and domestic investment policies similar to those used by developed countries when they were at earlier stages of development. De-industrialization can be the expected result. Local industries will collapse because of their inability to compete with cheap foreign imports and better technology.

Women are heavily involved in many of the sectors covered by NAMA as countries have relied on women’s work as a basis for competitive advantage.

- Stop de-industrialization through tariff harmonization and/or tariff elimination.

- Strengthen domestic regulation and non-tariff measures that fulfill national social objectives.

4. TRADE RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (TRIPS) AND KNOWLEDGE PRODUCTION

The WTO must confine itself to trade issues. Therefore, trade-related issues that lie within domestic policy, not international trade policy, such as intellectual property rights, must be removed from WTO disciplines.

The restrictions on access to affordable medicines to treat endemic diseases have negative impacts on the health demands of social reproduction.

The most fundamental opposition to TRIPS lies in its patenting of life forms and its direct assault on the sovereign rights and responsibilities of nations and indigenous peoples to protect their traditional knowledge and biodiversity. Women, as custodians of traditional knowledge, are systematically ignored by TRIPS.

- TRIPS should be removed from the WTO.

FINALLY, it is clear that no matter how much the trade liberalization agenda has proven to be the engine of the failed development model and to have critically vulnerabilized developing countries, it continues to be promoted.

Trade liberalization without the appropriate redistribution and domestically decided economic strategies benefited only a minority, while weakening women’s participation in decision-making.

Given all this, it is shocking that Global Governance spaces such as G-20 defends the resumption of the Doha Round of Negotiation as a solution to the multiple crises that trade liberalization has helped to create and spread at the first place. The upcoming WTO Ministerial, from 30 November to 2 December, ten years after Seattle, is a symbol of the insistence on a

failed economic and development model in urgent need of replacement.

For all of this, we continue to say: NO TO THE WTO AGENDA! NO TO THE WTO DOHA ROUND!

WTO MINISTERIAL: MORE OF THE SAME

By Karen Lang, OWINFS and Graciela Rodriguez, IGTN Global Coordinator.

During 2009, the debate and action around the current global crisis - in all its dimensions - economic, financial, environmental, social, food, among others - have been the center of much attention. The global movements worldwide have been emphatic in claiming that this is a structural crisis and that the free trade model that the WTO has been imposing and the bilateral or bi-regional agreements are at the root of this crisis.

This was particularly evident at the outbreak of the financial crisis: years of liberalization and deregulation of the financial sector, imposed mainly by the GATS – General Agreement on Trade in Services in the WTO - let the big banks and insurance companies free from any interference or control of States, free to "self-regulate". The liberalization of investment allowed a massive and irresponsible capital flows with high risk financial products, popping the bubble, causing a major crisis of global economic and financial system, leaving millions of workers unemployed, among other dramatic impacts.

After the "storm" was set, even the G20 sought to recognize in its statements the need for regulations in the financial sector, calling for the creation of new control rules. However, with respect to the G20, the contradiction in their positions is flagrant, because while it is said to be necessary to regulate the sector, they call strongly for a conclusion of the Doha Round at the WTO.

It was in this economic and international political context that the 7th Ministerial of the WTO took place and clearly showed that

contradiction. As we know, in the Doha Round, it is sought to deepen the free trade model with more liberalization in all sectors. In April 2009, the G20 had defended the need to conclude the Doha Round in 2010 and in May, the WTO chief (Lamy) announces the WTO Ministerial Meeting in late November. Thus, it was planned amid huge doubts about the real possibilities of progress, with negotiations stalled for over a year.

Since then, it became clear that the decision to make the Ministerial was motivated not so much to try once again to conclude the Doha Round, but to avoid the obvious loss of relevance of the WTO within the international system. That is, the Ministerial was actually called as a salvage operation of the WTO, seeking to recover some central role for it in the global financial and economic system.

With the global crisis, it was clear that the U.S. and the EU - but also other countries - had no interest in making concessions or open their markets. Moreover, in the case of the U.S., this was being aggravated by the "buy American" policies, by the serious internal problems especially in the U.S. Congress, and the lack of authorization of "fast track" for the Obama to negotiate the agreement. At the same time, the lack of definition of U.S. trade policy and even the lack of appointment of the U.S. negotiator at the WTO were very noticeable before and during the Ministerial, determining in some form that this ministerial meeting was in fact a "housekeeping" event. The Doha Round would not be on the official agenda. It would then treat domestic issues - the functioning of the WTO and a discussion on "WTO's contribution to the crisis." And to avoid further weakening the institution, it was decided that there could be no controversial issues on the agenda.

Still, and even if the Doha Round was not on the official agenda, some countries feared that parallel negotiations were made at the ministerial meeting in Geneva, and that indeed ended up happening.

In preparatory meetings, developing countries had declared that the texts of December 2008 should serve as a basis for negotiations at the WTO, which actually represented a setback, because these texts did not cover various demands of developing countries - for example on safeguard mechanisms in agriculture. However, not even this was good enough for the U.S. that continued to assert that these texts did not interest them, and that their interest was to know exactly what countries were willing to yield, in particular by requiring concessions from Brazil, China, India, South Africa and Argentina.

It is important to mention that political change in India – a country that is now showing greater alliances with the U.S. – will have important consequences in the context of the WTO, since India was instrumental in causing the impasse in negotiations.

At the end of such preparatory meetings, Brazil stated that demands for more concessions from the Developed Countries were unacceptable and that it had little hope in the progress of negotiations.

However, despite contrary voices from different countries, the U.S. continued pushing for bilateral meetings, causing dissatisfaction among the developing countries given the lack of transparency of these meetings.

Finally, despite these bilateral meetings, negotiations in the different areas showed no concrete progress. The deadlock continued between the U.S. demands for greater concessions from the developing countries and those without receiving any attractive offer (although much is said about the possible trade-offs). Several analysts have said that for the U.S. to be able to offer something meaningful, it would have to alter its Farm Bill and now the Obama administration do not have conditions to achieve this.

Another explicit interest at this Ministerial was to advance the negotiations on financial and environmental services, so as to allow

both the restructuring of the global financial system as promoted by the G20 and to facilitate the "business" that is becoming the climate through carbon market and clean technologies. However, and apparently, none of these negotiations succeeded, although some begin to speak of an "early harvest" for some subjects on which the working groups continue to negotiate.

Because of the reasons outlined in general terms, the 7th WTO Ministerial in Geneva ended, as expected, without progress. Although it has been reiterated that negotiations should intensify for ending the Doha Round in 2010, the possibilities presented for this to happen are not very clear.

Anyway, it is necessary to keep alert because the negotiating teams continue to work at a good pace and several aspects related to the functioning of the WTO and alterations of its rules are at the table, including discussions on the method of consensus for approval of agreements. Common criticisms of this system that would render the WTO ineffective are growing from rich countries and some emerging (in the case of the document "Strengthening the WTO" submitted by India) threatening to be installed in discussions or even worse, finding informal channels of pressure, turning this space less transparent and democratic.

At the same time, although several less developed countries still prefer a multilateral system, there is little expectation that the WTO negotiations move forward at this time. But no one wants to abandon the WTO directly or openly, because nobody wants to be responsible for the failure of the multilateral system

In this context, it remains urgent and priority to accompany WTO negotiations. We cannot be satisfied with its weakening, given that it does not mean that the liberalizing corporate agenda is paralyzed. Rather, it is obvious that many governments and TNCs continue to push, even more aggressively

now, this agenda by way of bilateral or regional agreements.

For social movements and networks that accompany the processes in negotiation, this means that we must continue to resist the free trade agenda in its broadest expression, and that it is essential to continue to develop our alternatives to influence the debate and governments as a basis for the development of new relations between North and South that overcomes the current international division of labor.

IGTN IN ACTION!

IGTN at Klimaforum in Copenhagen

IGTN held the workshop “Climate, Trade and Development from a Gender Perspective” on the 8th December at the Civil Society Forum during the UN Climate Conference.

Marta Lago, representing IGTN Secretariat, presented an overview on the links between trade agreements and (unsustainable) development, drawing the attention to the international division of labor that drains natural resources from the Global South, and to the fact that climate change impacts are disproportionately distributed, hitting hardest the poorest regions and the poorest people, seventy percent of which are women. Norma Maldonado, IGTN Latin America, presented the film “Climate Change and Women” showing how women in Guatemala are coping with climate crisis locally. Besides, her presentation showed the linkages between the bilateral free trade agreements (FTAs) in Latin America and the impacts on climate and the lives of women.

PUBLICATIONS

New IGTN Working Paper!

Unlocking the Development Box: Markers Along the way towards a gender sensitive Development Agenda

By Mariama Williams, IGTN Research Associate

This paper seeks to lay out, for further exploration and contemplation, the issues, especially as they relate to trade and finance, which are of critical importance to economic development in the global south.

But since the ultimate outcome of such processes are both propositional and conditional on what happens in the global economy, by necessity, there will be spillover to the nature and conditions of policy making in the global economy. The debate and discussion is both necessary and timely given the grave questions that face all nations - rich or poor, as well as, the overall global community in now the twilight of the first decade of the third millennium.

We are in the midst of a global war on terrorism that is, at best, benignly neglectful of human rights and, at worst, is having a chill effect on the spaces for political activism on many fronts. At the same time, we have an economic crisis of global proportions capable of transforming the essential markers in the global economy for the foreseeable future. We are also experiencing a serious food crisis, variously described as a ‘global developmental crisis of unprecedented scale’, a ‘silent tsunami’ and a ‘perfect storm,’ which is interlinked with the growing HIV-AIDS pandemic that threatens the lives of millions of boys, girls, women and men in many developing countries. Of the over six billion people who live in the world, about 963 million are hungry and over 40 million people joined the rank of the under nourished in 2008.

This hunger is directly linked to poverty and lack of access to affordable food. HIV-AIDS is drastically reducing life expectancy (now

dropping to 20 and 30 years) in some Sub Saharan African countries as opposed to what it should have been (70 years or so by 2010). It is also wiping out teachers, health care workers and parents and leaving a wave of orphans in its wake.

Coupled with this is the challenge of the long term rise in the average temperature of the earth's surface (and the consequential climate variability) which is contribute dramatically to frequent and extreme weather events such as extended droughts, floods and storm surges in many countries. The Intergovernmental Panel on Climate Change (IPCC) in its Fourth Assessment Report (2007) highlights that floods and heat are linked to death, injuries, infectious diseases, the toxic containment of water. Storm surges severely injury or cause many men and women to drown. More severe and frequent droughts cause water scarcity, the salinisation of agricultural lands and the destruction of crops thus contributing to nutritional deficiencies and food insecurity.

Climate change and its variability is an exogenous shock that poses potential challenges for developing countries infrastructural systems and economic growth path (Ackerman 2009). The Global Humanitarian Forum reports that every year climate change and climate variability leave over 300,000 people dead, seriously affect another 325 million people and create economic losses totaling \$125 billion (GHF 2009).

Thus at a time when the global community should be focusing its attention on poverty eradication and economic development in the Global South, most all rich governments are pre-occupied with their own, if mature, economic development issues as the survival of the 'market', the standard of living and the lifestyles of their citizens are at stake. This has not been the case since the great depression of the 1930s, the recovery from which markedly changed the terrain and contours of the global political economy on all levels.

Both developed and developing countries must also be concerned about taking climate protection measures such as transforming their economies to low carbon trajectories. This implies significant costs at all levels of the economies. Both the financial and climate crisis therefore presents budgetary challenges for poor and middle income developing countries to adapt and mitigate climate change.

There are both challenges and opportunities to this new and emerging reality. Challenges exist in the likelihood of declining resources and inattention to the critical issues of poverty, gender inequality and human development. Opportunities, with regard to the financial crisis, lie in the fact that the strangle-hold of belief in the primacy and supremacy of 'the market' has at last, if not been broken, been greatly ruptured. At the optimistic end, we can find great relief in the broad based recognition that the widely acclaimed report of the death of the state was not only premature, but was patently false and tantamount to wishful thinking on the part of ardent free-market promoters. Opportunities with regard to the climate challenge to forcing a more methodological and systematic approach to development in terms of national development and industrial planning are making a comeback in many developing countries. Unfortunately, in many of these countries especially in sub-Saharan Africa and the Caribbean, development planning had been shunted to the back burner as unnecessary and anachronistic. They were instead replaced by poverty reduction strategy papers and medium term frameworks. Hopefully, in the wake of the financial crisis and the proactive attention to building adaptative and mitigative capacity across sectors and industries, there will be more systematic attention to rigorous development planning. Given that both the financial and climate crises are serious outcomes of market failure, it can only be hoped that in their preoccupation with the urgent needs of their own economic debacle, the rich countries, in

the first place, may have greater humility about the limitations of their understanding of their own economic dynamics, the interactions of actions driven by greed and self interest and with the lack of careful and deliberative governmental regulation. This is evident by the high degree of confusion, fumbling and ineffective responses to the ever tightening credit market and the near collapse of the private economy - from the financial sector to the productive sector - in the US. This spread quickly to many countries, as is evidenced by rising, discontent and unrest in Greece, Spain, Denmark, Italy, France, and Germany.

It is indeed an interesting time when the highest of the high priests of economics are perplexed by their own creation, when with regard to economies that they know much less about, they act with the certitude of oracles. Now, hopefully, they will demonstrate more willingness to release the strictures of their hitherto fore fanaticism with market liberalization and budget austerity.

Undeniably, triumphantist market fundamentalism has destructively characterized the last twenty years of global macro economic policy. Now that bedrock beliefs such as perfect information and self regulating markets have come unglued, it would be sensible that in their pre-occupation with themselves, the rich countries desist from their obsession with micro managing Southern countries' economies, leaving these governments the breathing room and own recognizance to forward their own internally driven development trajectories.

In any case, the issue of where we go from here is an important and relevant question. The first part of this paper flags, for introspection and retrospection, the amalgam of factors, situations, events and circumstances in which we find ourselves - their inter linkages, meaning and implications. The second part focus on the key topic of this intervention which is the question of economic development in the

global South: what is it, who is it for and how best to secure it. The third and final section looks at the debates around alternatives. There is a set of accompanying appendices which contains some of the more technical and arcane issues that are flagged within the broader narrative.

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IGTN Secretariat:

Rua da Lapa, 180 salas 908/909 - LAPA
20.021-180 Rio de Janeiro/RJ – BRAZIL
Telefax: 55 21 2221-1182 / 2215-9510
www.igtan.org

Bulletin edited by Diana Aguiar, IGTN Global Secretariat