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XXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXX Criticism of theWorld Trade Organization (WTO) Introduction The World Trade Organization was created with the sole aim of harmonizing the trading environments globally so that there can be equity and access to available markets for products and services. This was based on the idea that equity in trade would provide an avenue for opportunities for smaller and weaker economies to grow and develop. However, there are few indications to show that the WTO has lived to this objective. Discussion One of the behaviors of this global entity is that it fails to enact rules and regulations based on consensus. Most of the decisions made by the body are shrouded in secrecy and only a few nations participate. Most of the agenda in most WTO meetings is driven by the countries such as the United States of America, Japan, Canada and European Union member countries. In most meetings, only select countries are invited which makes most of the decisions flawed and unilateral. Even where countries from such regions as Latin America and Africa are invited, they are never accorded any opportunity to air their grievances. Such ignorance makes the global body subjective since most of its decisions are skewed to favor European Union countries. Most of this is evident in the policies that allow selective implementation of liberalization policies in the world. Most of the rich countries like USA and European Union members have maintained high import tariffs and imposed quotas on goods that originate from poor economies like those in Africa. This has blocked exports from these poor countries from entering most of the western nations especially products like clothing and food products. At the same time WTO pressurizes most of the poor countries to implement free market policies and non tariff barriers across their boarders. This is done intentionally so as to allow the European countries to dump their excess products into these poor economies thereby worsening an already bad situation (Bhagwati 2005). This is because such dumped products mainly include food products like milk and sugar that are locally produced in these poor economies. The WTO never reigns on these European countries as their behavior contributes immensely to distortion of such markets in poor countries. This WTO regulation provides ceilings on amounts that governments should provide as subsidies for their local farmers. However, there is no monitoring or any form of control by the WTO on European countries and other rich nations since they heavily subsidize their farmers far beyond any provided regulatory limits. This has a major impact on the poor economies. This is because farmers in the rich countries incur minimal costs of production due to these heavy subsidies they receive from their governments. On the contrary, farmers from poor countries are not subsidized by their governments since they have no resources. In case they do, the subsidies are often offered in form of repayable cheap loans mainly in form of farm inputs. It therefore becomes obvious that products from the poor countries cannot compete with those from the rich countries due to failures of the WTO to regulate and offer oversight in the provision of subsidies by governments to their farmers (Steve 2007). This is in complete violation of the Agreement on Agriculture which clearly stipulates that the rich countries would reduce the amounts of trade distorting subsidies and permit equitable penetration of their markets by products from poor countries. The US and European Union have totally refused to remove or reduce such subsidies despite most of the poor countries like in Africa having fully liberalized their economies. It also goes against the deliberations of the Uruguay Round and also the Doha negotiations where member countries of the WTO agreed that they would pursue policies that are friendly to developing countries. Instead this has been interpreted by most European countries to mean exerting pressure on developing economies to open their agricultural, industrial and other sectors while they are not opening theirs. The WTO has also adopted regulations that promote the protection of intellectual property rights aimed at favoring the developed countries. They ban the use of technology by developing countries that have originated from the rich countries (Cline 2004). This is despite the willingness of developing countries to pay royalties if need be on such technology. The resulting scenario is where the rich nations enjoy so many comparative advantages when compared with the poor nations such as trade imbalances become the norm rather than the exception. Most of this behavior is promoted by agreements such as the TRIPS (Agreement on Trade Related Aspects of Intellectual Property Rights) which make the developed nations have so much control over trade practices in the world without the WTO raising any alarm. Conclusion It is therefore evident that most of the policies that promote the welfare of the rich countries are the ones given prominence by the WTO. It fails to arbitrate for poor countries that are on most occasions left at the mercy of their rich counterparts and continue to suffer. There is need for the WTO to readdress itself to its main obligations when it was formed because it is a total failure. Bibliography Cline, W., 2004. Trade Policy and Global Poverty. Cambridge. Cambridge university press. Bhagwati, J., 2005. Reshaping the WTO. Far Eastern Economic Review 162 (22): 28-35. Steve, R., 2007. From Seattle to Hong Kong. Foreign Affairs 84 (7): 77-81.