

# NGO's Take on WTO in the Battle of Seattle

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"Make sure to bring your raincoat," Anuradha Mittal of Food First, the famous food security advocacy institute based in the US, warned me on the phone. "It's pouring in Seattle."

But it is not Seattle's famous non-stop rain that will make the Third Ministerial meeting of the World Trade Organization (WTO) memorable. It is the social climate. When delegates from the more than 130 member-countries of the World Trade Organization (WTO) arrive in Seattle a week from now, they will find a city in turmoil. Seattle Harbor, one of the prime entry points for goods from Asia into the United States, will be closed down by American longshoremen. Many of the city's skyscrapers will be sporting huge banners denouncing the WTO put up by daring mountaineers who have trained especially for the occasion. And the streets will be filled with what is now conservatively estimated to be over 50,000 protesters from all over the world, many of them prepared to be arrested for acts of civil disobedience.

In contrast to the angry mood in the streets, government officials and business circles hosting the event are nervous and demoralized. One of Seattle's two corporate giants, Bill Gates' Microsoft, has just suffered a crushing legal defeat for engaging in monopolistic behaviour and could face, some say, a government-decreed dismemberment. The other, Boeing, is under suspicion for faulty engineering that might have caused the spectacular crash of EgyptAir Flight 990 on 31 October, which took 217 lives.

## Strategic Blunder

This was not the way the century was supposed to end, in the view of US officials and businessmen who had pushed for this jewel of a city in the US Pacific Northwest as the site of the Third WTO Ministerial Meeting. Seattle was supposed to mark the triumph of free trade and free markets at the end of the Second Millennium. "Surely, choosing Seattle must rate as one of the Clinton administration's strategic blunders," says Sarah Anderson of Washington's Institute for Policy Studies (IPS). "They overlooked the fact that the city has both a strong labour movement and a strong environmental movement." The "outside-agitator" theory will not work in this case. It is Seattle's citizens who have themselves taken the lead in organizing against WTO and free trade.

Seattle's anti-WTO groups are, in fact, part of a global network of civil society organizations that have mushroomed over the last few years in opposition to free trade. Ironically, it was the triumph of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) that established the World Trade Organization (WTO) in 1994 that propelled the massive wave of civil society opposition that now threatens to stalemate future moves in the direction of global trade liberalization. Made up of farmers, environmentalists, workers, academics, consumers, and social activists, these non-governmental and people's organizations did not necessarily see eye-to-eye on key social issues.

They were, however, united in one thing: the fear of the WTO's guiding philosophy and program of "free trade uber alles" (as consumer activist Ralph Nader described it) that they saw as the cutting edge of the drive of transnational corporations to recast global economic and political rules to remove barriers to the flow of capital and goods in search of greater profits. And here they were joined by many developing country governments.

A key event in global civil society's march to Seattle was the defeat of the corporate-driven effort to get the OECD—the club of rich countries—to adopt the Multilateral Agreement on Investment (MAI) in 1998 by a global campaign mobilized via email and the internet led by groups and individuals such as Third World Network, International Agriculture and Trade Policy Institute (IATP), International Forum on Globalization (IFG), and the formidable Susan George. Another decisive event was the US Congress's refusal a year earlier to grant President Bill Clinton "fast-track authority" in negotiating another trade agreement. This meant that to be ratified, future agreements would be scrutinized line by line, a process which could lead to the gutting of treaties negotiated by the executive. This event was a product of a rare *de facto* coalition of progressive NGO's, like IPS and Nader's Public Citizen, labour unions, and conservative and right-wing groups wary of "multilateral entanglements."

Caught Napping If the anti-free trade groups were the ones who were disorganized in 1994, it is the pro-free trade lobby that has been caught napping in the months leading up to Seattle. They paid little attention to polls that showed that all over the world, protectionist feelings were on the rise, attesting to the fact that the anti-free trade (or "pro-fair trade") forces were winning the debate.

They let monopolists like Bill Gates serve as the spokesmen for free trade.

The US government allowed itself to become the transnational Monsanto's agent in aggressively using the WTO dispute resolution mechanism to dump genetically modified agricultural products in Europe.

The US and the European Union sanctimoniously proclaimed "free trade" even as they massively increased the subsidies to their farming interests that are creating the huge surpluses that are destroying the agricultural sectors of large numbers of developing countries.

The partisans of free trade have finally awakened to the prospect that Seattle might turn out to be a massive public relations debacle for globalization. The half-hearted efforts to convince NGO's that free trade will result in Jeremy Bentham's paradise marked by "the greatest good for the greatest number" is giving way to a harsher approach. In the pages of the Financial Times, Wall Street Journal, Foreign Affairs, International Herald Tribune, Washington Post and other influential establishment newspapers and periodicals, it is now open season on civil society. NGO's are called "irrational," "ignorant," "emotional," "Luddites," to name but a few cute epithets heaped on us.

Counterattack Typical is the verbal pyrotechnics of Martin Wolf, the influential columnist of the Financial Times: "At the very least," he argues, "the substantive claims of those most strongly opposed to trade liberalization must be challenged. Yet it is quite as important to confront their political legitimacy as purported representatives of civil society as a whole. Civil society, says Wolf, "is simply a label for all those activities, relationships, and organizations that fall outside the purview of the state. This amorphous mass cannot be represented by anyone. Those who claim to do so are impostors..." Then the call to action: "The fate of the MAI is a warning. Policy-makers need to prepare their ground far better than this. They also need to recognize the changed political context in which they operate. The enemies of the liberal international economy have found new ways of organizing. Both need to be resisted. What is at stake is far too important to go by default." Queried on well-argued criticisms raised by civil society groups, Mike Moore, the WTO's new director general, has resorted to uncivil words: "It does irritate us that someone who never sells a product, never gets a vote and doesn't actually do anything can come out and attack you."

## Panic

These are not reasonable voices. These are the words of people in panic.

Selling the WTO has become the most difficult public relations job of our time. For the problem is very basic: while seemingly compelling in theory, there is very little empirical evidence that radically liberalized regimes in trade, finance, and investment actually bring about net benefits globally. Instead what people have actually seen over the last few decades of accelerated global liberalization are greater and sharper inequalities among regions, countries, and classes, plus tremendous environmental damage wrought by the corporate engines of free trade and free markets.

What we have seen is the multiplication of unconscionable realities such as the fact that three of the WTO's corporate hosts in Seattle, Bill Gates and his two top lieutenants at Microsoft, make more than the combined income of some 45 developing countries.

You can't sell that, except to the minuscule global elite that actually benefits from corporate-driven globalization.

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### **P.S.**

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