

### What is at stake?

There are four 'New' or 'Singapore' issues. They are:

#### 1) Investment

International corporate lobbyists and rich countries like Canada, the United States, Japan and the European Union want to start negotiations. This is being rejected by developing countries. Governments have traditionally regulated investment to protect and control strategic sectors of the economy. Governments therefore oversaw foreign investments to make sure that they were good for the country's economy by establishing performances requirements; restricting profit transfers out of the country; promoting locally made materials; supporting local companies with tax incentives. Under WTO investment rules, countries would have to remove all of these regulations, thereby leaving the door open for large foreign corporations to take over every sector of the economy.

#### 2) Transparency in Government Procurement

The term procurement refers to what governments may purchase or acquire in delivering programs and services. Government procurement accounts for trillions of dollars in commercial transactions. In the past, it was generally accepted that governments could use their purchasing power to promote certain economic goals like support for local producers or to maintain certain industries afloat in times of recession. Under a WTO agreement, member countries could no longer "discriminate" in this manner.

#### 3) Competition

This issue particularly affects public services and government monopolies. According to the neo-liberal ideology, government monopolies like marketing boards, postal services, and even health services, function better when governed by the "invisible hand" of the markets. In some cases, the government monopoly may be replaced by a corporate monopoly whose only focus is profit, not public interest. In other cases like water services, electricity and health, competition can lead to fewer services, a weaker infrastructure, and higher prices for citizens.

#### 4) Trade Facilitation

Trade facilitation refers mostly to the trade and customs administrative machinery. The goal is to have countries standardize their rules and procedures to facilitate trade at the border. This doesn't take into consideration that developing countries are often more dependent on the revenue from duties collected at the border.

### They say:

"...I do not want to leave any doubt about the continuing great interest of the business community in an international investment framework as declared time and time again in preparation of the WTO Doha and Cancun Context."

Kristian Ehinger, Business Industry Committee, Organization for Economic Cooperation and Development

### We say:

The Doha declaration states that negotiations will only be launched if there is an 'explicit consensus' of the member countries and no such consensus exists. In a recent research paper, CAFOD, a major British charity dedicated to fighting third world poverty, determined that 68 out of 146 WTO member countries are against a launch of negotiations and that 101 developing countries are opposed the new issues.