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## Developed countries protecting key sectors

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LEADERS attending the Asia Pacific Economic Co-operation (Apec) forum agreed to launch the new round of world trade talks under the auspices of the World Trade Organisation (WTO) next year.

It appears once again that Apec is being used as a vehicle by the developed countries to push through their ideas. Views of developing countries, including Malaysia, that there should be an agenda are being set aside with the developed countries pushing through their ideas.

There are also concerns and complaints that the Geneva-based WTO is unduly controlled by rich countries. Reports quote Hong Kong's Secretary of Commerce and Industry Chau Tak Hay as branding the WTO "a clubhouse for the wealthy nations".

Malaysia, often cited as a country with different views and not afraid to articulate them, has stressed the need for an agenda before setting the date for negotiations. Even the simplest of meetings have an agenda before the date and time is set. Why should a major undertaking such as world trade talks be any different?

Transparency and corporate governance is being stressed by the developed countries. Having an agenda up front will help every participating member know what they are going into and not go in blind not knowing what they are getting into.

Even as the developed countries push for a new round of world trade talks, they have not really fulfilled their obligations under the Uruguay Round. Non-tariff barriers, certificates, rules of origin and voluntary export restrictions hamper, hinder and restrict imports from developing countries.

Quotas on textiles continue to be imposed on imports from developing countries even as they are told to open up their markets to goods from the developed world. The US continues to subsidise its farmers and offers them an unfair advantage over farmers in developing countries.

Prime Minister Datuk Seri Dr Mahathir Mohamad told participants of the Langkawi International Dialogue (LID 2000) Sunday night that South Africa's "free trade" agreement with the European Union excluded 46 per cent of South Africa's agricultural products. This is because they directly compete with European producers.

New issues such as environment and labour are being put on the table and it has been pointed out that there are specialised organisations such as the International Labour Organisation (ILO) to deal with them. Even so the US signed a free trade agreement with Jordan recently which included environmental and labour issues.

Developing countries are told that free trade and free markets are good for the country and its people. Yet developed countries choose to protect key sectors while criticising developing countries when the poor countries pursue a similar policy.

Apec set its own trade liberalisation dates - 2020 for developing countries and 2010 for developed countries. It was seen as a way for developed members to access the lucrative markets in China. It was also seen as a means for the US to achieve what it failed to do in the WTO.

Markets such as China, Japan, South Korea and other countries in Asia have been the "battle" ground on a number of trade issues involving the US.

Its trade policy in the Asia Pacific region is clearly outlined by the

Office of the United States Trade Representative and related entities. It states in part: "...we must, therefore, continue to identify those markets that present growth opportunities, ensure access to those markets, and do so in such a way as to create enduring relationships that foster not only short-term economic prosperity, but also our long-term economic security.

"A failure by the United States to participate in and shape those efforts could significantly diminish the opportunities for US firms and workers as we enter what some are calling the 'Pacific century'.

"Thus, the United States had been pursuing an activist trade policy in the Asia Pacific region aimed at further opening these fast growing markets, and expanding opportunities for American companies and workers..."

The pressure on developing countries, including those in the Asia Pacific region, to open their markets will not only continue but will certainly increase. Thus, even as work on a new round of world talks gathers momentum, developing countries must ensure that they are not short-changed.

They must be vigilant and co-operate to ensure that their companies and workers, among others, are not marginalised further by unfair agreements and concessions under the new round.

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