

# TRADE LIBERALISATION OR TRADE COLONISATION? AN EXTRACTION OF THE POLITICS IN POLICIES OF THE WORLD TRADE ORGANISATION (WTO) ON AFRICAN ECONOMY

By  
S.M. OLOKOOPA\*

## ABSTRACT

After the World War II, the clamour for a forum or an organisation that would serve as a platform for negotiating trade agreement and trade rules increased tremendously. This urge was what gave birth to the General Agreement on Tariffs and Trade (GATT) and it was GATT through Uruguay Round that later metamorphosis to the World Trade Organisation (WTO). An organisation created for the conduct of international trade that would raise the standard of living of member nations across the globe. However today, an increasing number of voices are being raised against the activities and policies of the WTO. Many are of the opinion that, the law and policies of WTO are inconsistency with the developmental efforts of African Countries. In this paper, an attempt will be made to assess the law and policies of the world trade organization vis-à-vis Africa economy. The politics in policies of WTO on the economy of African countries will be extracted with a view to proffering some solutions and options to African countries for the survival and development of their trade and economy.

## 1.0 INTRODUCTION

Amongst the reason for the formation of the World Trade Organization was for the conduct of international trade that would raise the standard of living of member states, ensure full employment, sustainable development and environmental protection of the member nations across the globe. It was also believed that the organization was created to secure proper share for the developing countries in the realms of international trade<sup>1</sup>. According to David<sup>2</sup>

...The formation of the WTO was a global effort to actualised the UN's effort in a bid to roll back hindrance to free commerce through the painstaking intervention of the GATT through UNCTAD.

- 1 \*S.M. Olokooba is of the Faculty of Law, University of Ilorin, Nigeria. For other objectives of the formation of WTO, visit [http://www-wto.org/english/the WTO\\_e/whatis\\_e/inbrief\\_e/inbr01-e.htm](http://www-wto.org/english/the WTO_e/whatis_e/inbrief_e/inbr01-e.htm) assessed on 24<sup>th</sup> June, 2009.
- 2 J.W David, *United Nations in the Contemporary World*, (London: Routledge, 1997), 75

---

However, in some quarters, it is now believed that the WTO'S emphases has slipped from concentrating on these public interest goals to seeing itself primarily as 'an organisation for liberalising trade' and 'that the system's overriding purpose is to help trade flow as freely as possible'<sup>1</sup> even at the detriment of some member nations especially the African countries.

Today an increasing number of voices are being raised against the activities of the WTO. The WTO'S public interest and objectives remain out of reach of the African nations. In fact, many has criticised and opined that, the organisation is just a plat form that the rich and developed countries are using to further colonise African trade. The non transparency in some of the activities of the WTO<sup>2</sup> is a reference point. Thus to some people, the World Trade Organisation is today one of the most secretive international bodies on earth, established to feed the greed of the rich in the name of trade liberalisation<sup>3</sup>.

### 1.1 Historical Survey of the formation of WTO

Created on 1<sup>st</sup> of January, 1995, the world trade organisation (WTO) is currently the global international trade organisation dealing with the rules, control and flow of trade between one country and another. The overriding objectives for its creation were to help in the balance and liberalisation of trade to help trade flow smoothly, freely and predictably<sup>4</sup>. It is an organisation created to supervise and liberalise international trade<sup>5</sup>.

The ministerial meeting of the General Agreement on Tariff and Trade (GATT)<sup>6</sup> in November 1982 led to the final Act on trade agreement which concluded the Uruguay Round and which officially metamorphosis to World Trade Organisation. The regime was signed during the April 1994 ministerial meeting at Marrakesh Morocco, hence it was known as the Marrakesh Agreement.

The WTO secretarial headquarters is located at Center William Rappard,

- 
- 1 See [http://www.3dthree.org/pdf\\_3D/Guide\\_075Ch1-pdf](http://www.3dthree.org/pdf_3D/Guide_075Ch1-pdf), accessed on the 7<sup>th</sup> July, 2009
  - 2 One of such activities is the mode of reaching decision at the WTO otherwise called "consensus" which in actual fact was imposition of ideas of some few developed nations over the developing nations.
  - 3 <http://www.ify.org/wto-html>, accessed on the 6<sup>th</sup> July, 2009
  - 4 [http://www.wto-org/english/the\\_WTO\\_e/whatis\\_e/inbrief\\_e/inbro02\\_e.htm](http://www.wto-org/english/the_WTO_e/whatis_e/inbrief_e/inbro02_e.htm) assessed on the 18<sup>th</sup> June, 2009
  - 5 "World Trade Organisation"-Wikipedia, the free encyclopedia, <http://en-Wikipedia.org/wiki/World-Trade-Organisation>, accessed on 27<sup>th</sup> June, 2009 p:1 of 9
  - 6 General Agreement on Tariff and Trade (GATT) was the only multilateral instrument governing international trade from 1948 until Word Trade Organization (WTO) was established in 1995.



---

Geneva Switzerland. It has about 630 staff and is headed by a director general<sup>1</sup>. As at today, the world trade organisation has over 152 members which have Nigeria, United Kingdom, and United State of America, India, and France as among the earliest members to ratify the Uruguay agreement.<sup>2</sup> The newest member of the world trade organisation is Ukraine<sup>3</sup>.

## 2.0 LAW AND POLICIES AT THE WORLD TRADE ORGANISATION

The main focus in this part will be an assessment of the law and policies at the world trade organisation. Both the establishing and instrumental laws which the organisation applies in arriving at its decisions will be assessed.

### 2.1 Laws at the World Trade Organisation

#### 2.1.1 Establishing laws

The World Trade Organisation was created by international treaties, and the major creating instruments of the world trade organisation are the two WTO agreements negotiated and signed by the bulk of the world's trading nations. These agreements are often called the WTO trade rules.

GATT is now the WTO'S principal rule book for trading in goods<sup>4</sup>. The WTO regime is known as the rule based multilateral trading system<sup>5</sup>. And, it was WTO agreement that established both the Dispute Settlement Body as well as Appellate Body to review disputes. Most of the adjudicating panels at the WTO are bureaucrats<sup>6</sup>.

#### 2.1.2 Instrumental laws

Just like the international court of justice which was set up to adjudicate or settle dispute among nations in conformity with the principles of justice and

---

1 The current director general of WTO is Mr. Pascal Lamy, for detail of other officers and other functions of the organisation, visit, [http://www.voanews.com/specialenglish/archive/2007-05/2007\\_05-31](http://www.voanews.com/specialenglish/archive/2007-05/2007_05-31)

2 These countries became members on 1<sup>st</sup> of January, 1995.

3 Ukraine joined of WTO on 16th day of May, 2008. For other details on the formation of WTO and the Comprehensive list of member ~~state~~, visit [http://www.wto.org/english/thewto\\_e/whatis-e/inbrief-e/inbr03\\_e.htm](http://www.wto.org/english/thewto_e/whatis-e/inbrief-e/inbr03_e.htm), accessed on 27<sup>th</sup> June, 2009. or [http://en.wikipedia.org/wiki/WTO\\_accession\\_and\\_membership#List\\_of\\_members\\_and\\_accession\\_dates](http://en.wikipedia.org/wiki/WTO_accession_and_membership#List_of_members_and_accession_dates), accessed on 16<sup>th</sup> july, 2009

4 This document provides the legal ground-rules for international commerce. They are particularly contracts binding government to keep their trade policies within agreed limits and levels

5 <http://www.3dthree.org/pdf-3D/Guide-075Ch.pdf> accessed on 7<sup>th</sup> July, 2009.

6 See Article 6 WTO agreement which established the Dispute Settlement Body and Article 16.4 and 17, which borders on the appellate reviewing body of WTO.

international law<sup>1</sup>, the WTO's main instrumental law apart from the GATT rules is international law<sup>2</sup>. Thus, the disputing parties before the world trade organisation can either invoke those rules to which both of them are bound or the organisation can look into any related international law in settling dispute among member states. The simple implication of this is that WTO rules are international law and while applying it, it should not be interpreted in "clinical isolation" from other bodies of international law and without considering other complimentary bodies of international law<sup>3</sup>

## 2.2 Policies at The World Trade Organisation

Being an international organisation, the WTO has some peculiar ways of executing and achieving its formative policies. The peculiarity in the execution of policies cut across almost all its activities. Thus, in this part, the policies of WTO on some of its day to day activities i.e. policy on trade liberalisation, policy on agriculture, policy on dispute filing and settlement, policy on decision making and programme implementation e.t.c. will be discussed.

### 2.2.1 WTO Policy on Trade Liberalisation

The world trade organisation establishes a framework for trade policies. The organisation is concerned with setting the rules of the trade policy game<sup>4</sup>. Amongst the WTO policies on trade liberalisation are;

- Policy on transparency
- Policy on non discrimination
- Policy on reciprocity and enforcement of commitments

#### i Transparency policy:

Under this policy, the member states are required to publish their trade regulations and notify other member states on changes in their trade policies.

#### ii Non Discrimination:

The basic requirement of this policy is equal treatment and equal application of condition to both imported and locally produce goods.

#### iii Reciprocity and Enforcement of Commitments

This policy reflects both a desire to limit the scope of free riding that may arise

1 A. Apadorai *The substance of politics*, (5<sup>th</sup> Edition, Delhi, Oxford: University Press, 1975), 17

2 International Law was the main law the Appeal Panel applied in the WTO Shrimp-Turtle case between United State and India.

3 <http://books.google.co.za/books?of=applicable+law+at+wto>, accessed on the 6<sup>th</sup> July, 2009.

4 "Principles of the trading system" at <http://en.wikipedia.org/wiki/World-Trade-Organisation>, accessed on 27<sup>th</sup> June, 2009.



---

because of the most favoured nation (MFN) rule, and a desire to obtain better access to foreign market. A related point is that for a nation to negotiate, it is necessary that the gain from doing so be greater than the gain available from unilateral liberalisation. Thus, under this policy the member countries are enjoined to fulfil negotiations on accessions and concessions.<sup>1</sup>

### **2.2.2 WTO Policy on Agriculture:**

This is one of the newest policies in the WTO agreement. The talk which is yet to be concluded started in 2000 and it was part of the now Doha agenda.<sup>2</sup>The basic gist of the agricultural policy of the world trade organisation (WTO) is an effort to search for and secure the guarantee for open market and competitive grounds for agricultural produce of member state.

### **3.3.3 WTO policy on filing, hearing and settlement of disputes.**

Arrangement of consultation<sup>3</sup> with the disputing parties and the constitution of the Dispute Settlement Panel<sup>4</sup> is always the first step in the WTO's settlement dispute policy. It was after this that parties would be invited to meet with the panel to state their cases<sup>5</sup> After hearing the descriptive part of the report would be given to the parties for comment before the forward of the final report to the Dispute Settlement Body<sup>6</sup>. An aggrieved party can appeal against the recommendation of the panel within 30 days after which the dispute settlement body would take the final report and adapt same<sup>7</sup>. Arbitration<sup>8</sup> and retaliation<sup>9</sup> are the major two ways of dispute settlement at the WTO .

### **2.2.4 WTO Policy on Decision and Programme Implementation**

The world trade organizations policy is not confined to specific agreement or obligations. Member governments also discuss a range of other issues, usually

---

1 See "principles of the trading system at <http://en.wikipedia.org/wiki/World-Trade-Organization>, accessed on 27<sup>th</sup> June, 2009

2 For details visit, <http://www.voanews.com/specialenglish/archive/2007-05/2007-05-31>, accessed on 7<sup>th</sup> July, 2009.

3 See Article 4. WTO Agreement

4 See Article 9. WTO Agreement

5 See Article 12. WTO Agreement

6 See Article 15.1 WTO Agreement and Article 12.8 Appendix 3 per 12 (j) of the same Agreement.

7 See Article 16.1, 16.4 and Article 17.4 of the WTO Agreement for a comprehensive procedure on appellate review of dispute.

8 For detail process of this, see Article 22.6 and 22.7 of WTO agreement.

9 Retaliation as a means of settlement only occurs if there is no agreement on compensation or refusal to execute judgment by judgment debtor

in special committees or working groups<sup>1</sup>. Each year new chairpersons for the major WTO bodies are approved by the general council. Most of the major decisions are taken at the ministerial conference. Though the world trade organisation operates on a one country, one vote system, but in actual fact, votes have never been taken. Decision making is generally by consensus, and relative market size is the primary source of bargaining power<sup>2</sup>.

### 3.0 POLITICS IN POLICIES OF THE WTO ON AFRICAN ECONOMY

The base of African economy is agriculture and that accounted for why African countries are popularly referred to as agrarian societies. In essence the bulk of fund that will be used for African development are expected to come from agricultural produce from the continent. It is also an undisputed fact that majority of African state are member of WTO<sup>3</sup>. The issue now is, are the policies of WTO targeted or directed at the development of agriculture in Africa countries? Are the WTO policies on trade liberalisation and agriculture consistent with African's cultural value and will such policy improve and accelerate the development of African economy?

The dichotomy between a developed and underdeveloped or developing economy which most African countries belongs is of glaring magnitude. According to Rodney<sup>4</sup>

...The developed countries are all industrialized that is to say, the greater part of their working population is engaged in industry rather than agriculture, and most of their wealth comes out of mines, factories, etc. They have high output of labour per man in industry because of their advanced technology and skill.... It is also striking that the developed countries have a much more advanced agriculture than the rest of the world. Their agricultural has already become industry....

The countries of African... are called agricultural countries because they rely on agriculture and have little or no industry, but their agriculture is unscientific and their yields are far less than those of the developed countries.

1 for each and detail functions of the committees and working groups, see "World Trade Organisation" - Wikipedia, the free encyclopedia at <http://en.wikipedia.org/wiki/world-Trade-organisation>, pp:4,5 of 9. accessed on 27<sup>th</sup> july, 2009

2 *ibid*, p:5 of 9

3 See the detail number of African countries in WTO at [http://en.wikipedia.org/wiki/wto\\_accession\\_and\\_membership#List\\_of\\_members\\_and\\_accession\\_dates](http://en.wikipedia.org/wiki/wto_accession_and_membership#List_of_members_and_accession_dates). accessed on 16<sup>th</sup> july, 2009

4 W. Rodney, *How Europe underdeveloped Africa*, (Abuja, Panaf Publishing Inc, 2005), 18-19



He observed further.

...In Africa, the output of food per person has been falling in recent years. Because the developed countries have a stronger industrial and agricultural economy than the rest of the world, they produce far more goods than the poor-nations...

Be that as it may, how then can a competition between two un-equal variables be said to be fair and equitable? Therefore it is my humble submission that most of the policies of WTO are in fact politics to undermine the growth of African economy. An elucidation on some of these policies well surely projects the undertone politics in them.

### 3.1 Politics in WTO'S Policies on Agriculture:

Concessions, market access, reduction in domestic support in form of removal of subsidies and export competition are part of the WTO policies on agriculture. The major aim of this policy is to provide for commitments by member states in the area of market access and export competition. The politics behind this policy was to open African market to global export competition which to my mind will ultimately kill the infant underdeveloped and/or developing economy of African states. The competition will further push the African domestic market to oblivion. The flooding and varieties of foreign agricultural product devoid of any restriction in African market just under the pretence of open competition according to Martin"... can render the developing nations farmers into extinction and economically unviable.<sup>1</sup>

I concur with this observation because even now, it is the big nations that establish the price of agricultural products and subject these prices to frequent reductions in the international market. At the same time, the price of manufacture goods is also set by them along with the freight rates necessary for trade in the ships of those nations. The minerals of Africa also fall into the same category as agricultural produce as far as pricing is concerned. The whole import/export relationship between African and its trading partners is one of unequal exchange and exploitation.<sup>2</sup>

- 1 K. Martin, "Why developing countries cannot afford the new issues in the WTO Seattle Conference at <http://www.ifg.org/newissues.html> accessed on 22<sup>nd</sup> July, 2009.
- 2 W. Rodney, op. cit (n. 31) p: 27. this exploitative tendencies of the developed countries as represented by US was what triggered the friction between India and US on the new agreement on Agriculture. What India had demanded for was adequate protection for farmers, while the US were southing for market access for it farm produce in developing countries. See details in <http://www.livemint.com/2009/06/1920/226/India-ready-for-8220give>, accessed on 17<sup>th</sup> June, 2009.

---

### 3.2 **Politics in WTO's policies on Tariff and Trade related matters:**

Majorly, these policies are reduction in tariff and trade liberalisation. The requirement of this policy is that, WTO member country must reduce tariff and liberate their import as well as export measure to allow each member countries access to their market devoid of any hindrance.

The cut in the industrial tariff is a political gimmick to place greater pressure on the ailing manufacturing sector of African. Presently majority of African countries are already under the shackle of IMF or World Bank dictatorial condition of tariff reduction. According to Flesman<sup>1</sup>

... African agricultural markets are already much more liberalised than those of their wealthy trading partners. For more than two decades African Governments have been forced through structural adjustment policies and bilateral aid and trade conditions to eliminate producer subsidies and reduce tariff at deeper and faster rates....

From the foregoing, it is certain that further reduction will mean a double jeopardy and will surely have a devastating effect on African economy. Effect of trade liberalisation policies of the WTO therefore cannot be palatable to Africa or on African Economy. The effect will surely be negative. According to Martin,<sup>2</sup> such negative effect was found in the UNITAD's Trade and Development Report 1999 which shows

...that rapid trade liberalisation has contributed to the widening of the trade deficit in developing countries in general. The report finds that rapid trade liberalisation led to a sharp increase in import but that export's failed to keep pace....

This observation aptly concurred with the African underdevelopment depicted by Rodney in his book "How Europe underdeveloped Africa"<sup>3</sup>

Another effect and politics of WTO policies on liberalisation is that, such action would cause imports to surge in exports. Trade deficit may be widened and deterioration may result due to unbalance in payment. Economically there will be rise in external debt which would ultimately render Economic growth in African to be slow and stagnant

1 M. Flesman, "Global Agricultural trade talks stall", at <http://www.un.org/laocsocdert/geninfo/afree/vol11/17/wto.html>, accessed on 16<sup>th</sup> July, 2009.

2 K. Martin, *op.cit.*, (n.32)

3 W. Rodney, *op.cit.* (n.31), p:27



### 3.3 Politics in WTO's policies on Anti-dumping:

The requirement for this policy is that for a cause of action on dumping to arise, the complaint country must prove that the dumping items are in a clear causal relationship between dumped imports and injury to domestic industry. Establishment must also be made that the prices of the dumped items affect the price and the normal value of product locally. After the proof of all these, the anti-dumping policy of WTO is that any anti dumping investigation must be terminated immediately if it is discovered that the dumping margin is *de minimus* (that is, less than 2% of the export price of the product or the volume is negligible, that is less than 3%) imports of the products in question into the importing country.

The issue here must not be the issue of quantity of dumping items, but the scope of negative effect the dumping will have on African economy. It is certain that either the quantity of dumping is 2% or less than 3%, once African market is flooded with dumping items; African economy will certainly be affected negatively. Thus, I submit that the anti-dumping policy of WTO is a political paraphernalia used by the developed countries to get their product into African or developing countries simply by hidden under "*de minimus*" (less than 2%) or "negligible" (less than 3%) protective clause.

### 3.4 Politics in WTO policies of "consensus" voting system:

Being a global organisation, it is expected that democracy and freedom of expression should take a central stage in the activities of the WTO. However, it is disheartening to note that, though

...the WTO operates on one country one vote system, but actual votes have never been taken. Decision making is generally by consensus, and relative market size is the primary source of bargaining power...in reality, WTO negotiations proceed not by consensus of all members, but by a process of informed negotiations between small groups of countries...<sup>1</sup>

## 4.0 MAIN REASONS FOR THE FORMATION OF WTO

From the foregoing discussion it is the humble opinion of the writer that the actual reasons for the formation of the WTO was far from ordinary free flow of and/or liberalisation of trade among nations, but one of colonisation tendency of African trade and economy by the developed nations. The answer to the under listed questions may serve as a guide to take a stand.

<sup>1</sup> World Trade Organisation- Wikipedia, the free encyclopedia. at <http://en.wikipedia.org/wiki/World-Trade-Organisation>, p: 5 of 9 accessed on 27<sup>th</sup> July, 2009

- i. What necessitated the formation of WTO when as at that time, the former General Agreement on Trade and Tariffs (GATT) was still functioning as a frame work for liberalising the global economic activities especially in Trades?
- ii. Why United States did obstructed and blocked the funding of the former International Trade Organisation and why did the US now turned to be the major promoter of the comprehensive Uruguay Round that later metamorphosis to WTO?
- iii. Why did US opposed the inclusion of some agricultural products in GATT's list in the 50's and why is it the same US now that is pressing for the inclusion of Agricultural products but with some liberalised modalities in the GATT, WTO system?
- iv. Why the secrecy in the dispute settlement mechanism of WTO?

On the first question, there was no formal information in whatever form that, the GATT was not functioning as at the time WTO was formed. In fact, the activities of both GATT and ITO were working reasonable well as at the time WTO was created. The functionality and effectiveness of GATT was attested to even at the formative stage of WTO and that accounted for why the GATT rule was included and adapted as the principal rule-book for trade in goods<sup>1</sup> of the new WTO.

On why US obstructed the funding of ITO, it is the candid view of this writer that, the blockage of the funding of that organisation was promoted by America due to the fact that, the controlling influence of the organisation then was never in the hand of the America.

On the issue of the re-inclusion of agricultural products in WTO system, it is the humble opinion of the writer that it was the personal interest of America that necessitated her new protagonist posture of the inclusion of agricultural products into the GATT, WTO system. America in the world today has more essence agricultural products than most of other countries of the world; and for that, they must look for overseas market to dump such essence. This assertion was buttressed by John Block<sup>2</sup> when he said that

The idea that developing countries should feed themselves is an anachronism from a bygone era. They could better ensure their

---

1 See [http://www.wto.org/english/thewto\\_e/what\\_is\\_e/inbrief\\_e/inbr03-e.htm](http://www.wto.org/english/thewto_e/what_is_e/inbrief_e/inbr03-e.htm)  
2 John Block was the US Agriculture Secretary



---

food security by relying on US agricultural products which are available in most cases at much lower cost<sup>1</sup>

On the dispute settlement mechanism of WTO, the statement by Bergsten<sup>2</sup> clearly shows that, it was designed to further crippled African economy, brake and reduces the tariff to open Africa market and eliminate local control on the Africa economy. In his words, relying on the WTO agreement, the developed country "...can now use the full weight of the international machinery to go after those trade barriers, reduce them, and get them eliminated". The secrecy in the decision making process of WTO is of the apex level which aptly mirrors the description of WTO as one of the most secretive international bodies on earth<sup>3</sup>. The way and manner decision were taken at WTO both in 1996 and 1998 further confirmed this.<sup>4</sup>

What could be gleaned from the secrecy in the decision making process of WTO is that, the WTO was actually created as a platform with international legal power and authority that the developed countries will be using to further the advancement of neo-colonialism, control and dictate the phase, structure and nature of the developing countries economy.

Furthermore, by the subscription to GATT and WTO agreement, the developing countries have willingly subjected themselves to another colonial subjugation and thus, all activities that may not promote the interest of the developed countries i.e. restriction on import, tariff and local subsidies on farm produces must all be eliminated. And once this is done, developing countries trade policy will naturally disappear into oblivion and what will follow will be an outward flow of investment and absence of direct, local, political and trade control of African economy by the Africans. The pursuit of industrialization policy will be vigorous, the hard-earned meagre proceed from developing countries will pumped into the acquisition of machine from developed countries which at the end of the day will be making the rich countries, richer and the poor countries, poorer.

---

1 [http://www.thirdworldtraveller.com/WTO\\_MAI/Reform\\_WTO\\_Wrong\\_Agenda.html](http://www.thirdworldtraveller.com/WTO_MAI/Reform_WTO_Wrong_Agenda.html), accessed on 7<sup>th</sup> April, 2008

2 C.F. Bergsten was the head of Institute of international Economics.

3 See <http://www.ifg.org/wto.html>

4 In 1996 the decision on liberalisation of information technology trade was reach and decision to liberalised trade in electronic commerce was taken in 1998 but all were decided through "green room negotiation" and simply presented to the Assembly *fiat accompli*.

---

## 5.0 CONCLUSION AND RECOMMENDATIONS

### 5.1 Conclusion

From the assessment done on the law and policies of the world trade organisation, it is evident that some of the policies of the organisation are inconsistent with the developmental effort of African states and their economy. The WTO trade liberalisation policies i.e. the removal of tariff and subsidies and her policies on agriculture seem to have more detrimental instead of developmental consequences on African economy. The benefit of African states when their market is open and flooded with foreign goods, (either less than 2% 'de minimus' or 3% 'negligible' quantity) will surely kill the ailing economy of Africa.

The removal of subsidies in whatever form on trade and agricultural products will further compound the problems of the struggling African farmers who at the end of the day may be forced out of production. Not only that, the manufacturing industries in Africa may also be forced to fold up.

Further more, from all the politicking extracted from the policies of the WTO in this paper, and from the way by which working people, labour rights, environmentalist, human right activists, consumer right, social justice, local culture, and national sovereignty were treated as "obstacles"<sup>1</sup> and crushed through various mechanism of WTO, one can safely conclude that the WTO'S policies are not solely trade liberalisation policies but an indirect colonisation of African trade and economy.

### 5.2 Recommendations

Having assessed the law and policies of the WTO and having discovered in this paper that a lot of political undertone actually accompanied the policies of WTO and most of which are in fact detrimental to African economy, couple with the fact that

... many developing countries (in which many of the African countries belongs)<sup>2</sup> also notice and are now actively complaining that trade liberalisation has net negative result for their economies or has marginalised them.<sup>3</sup>

---

1 <http://www.ify.org/wto.html>

2 Emphasis mine

3 K. Martin, *op.cit*(n.32)



---

The next question now is what is the way forward for African countries? On this, the paper recommends:

**1. On trade liberalisation i.e. the removal of subsidies, reduction on tariff etc:**

It is humbly suggested that any liberalisation process that will undermine or further retard the already underdeveloped African economy should vigorously be opposed by the African states member of WTO. The removal of subsidies is practically not in the developmental interest of African state. Tariff and goods subsidies should be maintained to protect the ailing industries of African States.

**2. On agriculture:**

Since agriculture is the base of African economic sector, any policies that will affect the development of agriculture should not be condoned by the African states. The protection of local farmers should be the main stand point for African member states of WTO

**3. On the secretive ways of reaching decision at the WTO:**

African member states should unite and lobby other members to review the "consensus" mode and change the procedure to a more open voting system. Thus, the transparency policy of WTO should start from within. In other words, the one vote per country should actually be democratically put into practice and the "green room negotiation" which is basically a market size consensus of few powerful states should be discouraged. Therefore, the system and culture of decision making in the WTO must undergo a serious reform.<sup>1</sup>

**4.** Furthermore, since African states are among the majority a member of the WTO, to who much is given, much is desired. African member states has committed so much to the functionality and viability of the WTO, thus, giving the position of the Director General of the organization to African state at this time will not be too much.

**5.** Finally, the favourable conditional treatment (for the developed countries as against the unfavourable conditional treatment (for the developing countries) in the WTO should vigorously be tackle by the African countries. Therefore it is high time African countries, International civil societies and other developing

---

<sup>1</sup> K. Martin "Re-thinking liberalisation and Reforming of the WTO" at <http://www.twinside.org.sg/title/davos2-cn-htm>, accessed on 30<sup>th</sup> April, 2009

---

nauc. unite and constantly resist the indirect colonisation of African Economy. Conclusively therefore and as rightly opined by the chairman of the G77,<sup>1</sup> for African member states in the world trade organization

...the next stage of the WTO negotiations should be about the three Rs, to review, repair and reform the WTO agreement and system. This is necessary now in order to avoid further damaging to developing (African) countries ...trade and their economic development.

---

<sup>1</sup> As quoted by K. Martin, *Op.Cit.* (n.32). emphasis in bracket mine.