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PRESS CONTACT

Carin Smaller, Geneva, 41-78-911-0896,
csmaller@iatp.org

Ben Lilliston, 612-870-3416, ben@iatp.org

Trade Talks Collapse, New Direction Needed

A New Multilateralism Must Better Address Global Challenges

Minneapolis/Geneva – Today, trade talks at the World Trade Organization in Geneva broke down. It has now been seven years since the Doha Round of negotiations began at the WTO.

Below is a statement from Carin Smaller, head of the Geneva office of the Institute for Agriculture and Trade Policy:

“This deal may have been hanging by a thread, but what snapped the thread was a major division between WTO members on how to achieve development. The U.S. argued that opening markets was the best way to achieve food security and to promote livelihoods. India and China, supported by the majority of developing country members, argued for a strong safeguard mechanism to protect food security and livelihoods in the event of major disruptions to agricultural markets.

This deal did not collapse over small technicalities. It was doomed to fail from the start. There is no political support for what is on the table: not from India or France or Argentina or South Africa or most of the WTO membership. Following the same WTO model is impossible now: governments are no longer willing to sacrifice other concerns strictly for the sake of trade. People are on the streets rioting over food and energy prices. The business world is in a state of shock over the financial crisis. These are the problems that governments have to focus on. And the Doha Round cannot help them.

People want global agreements to solve food insecurity, to get them out of poverty and to avoid the devastating effects of climate change. If trade can help these goals, it should be used. But the deal on the table was likely to make things worse.

Other global institutions are better equipped to solve these new challenges. Multilateralism is more important than ever, and it has to support a diversity of approaches to allow governments to realize full employment and sustainable development.

The question is no longer whether we need an alternative path to the Doha Round, but rather how to initiate it. It is time for strong political leadership from the South and North to push for a new model of trade.”

Read more on the WTO trade talks at: www.tradeobservatory.org - or IATP’s Think Forward blog: <http://iatp.typepad.com/thinkforward/>

IATP works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems.