SOUTH AFRICA’S OFFICIAL POSITION
AND ROLE IN PROMOTING THE WTO

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1. QUESTIONS FACING SOUTH AFRICAN POPULAR MOVEMENTS
   AND PROGRESSIVE ORGANISATIONS

South African popular movement analysts and activists participating in African and international
civil society meetings on the World Trade Organisation (WTO) and other multilateral institutions,
such as the IMF and the World Bank, are frequently faced with troubled - and troubling -
questions about the position that the South African government has taken, and what is seen to be
the highly questionable role that official South African representatives are playing within these
and other multilateral institutions. It is vitally important that the popular mass movements and
progressive organisations in South Africa are more fully informed on the sources and causes, the
features and effects of the South African government’s international role in this regard.

It is also essential that progressive South African organisations and broader popular forces know
the South African government’s international positions, particularly in support of the WTO and
its expansion through a new round of multilateral negotiations, because the positions being
adopted by the SA government on and in the WTO also reflect and reinforce the financial
policies, the trade and investment strategies, and other economic and socio-economic policies
being pursued within this country. Both the international and the national policy options of the
South African government have fundamental implications in relation to the prospects for
addressing the heavy legacy of apartheid and fulfilling popular aspirations for the reconstruction,
development and transformation of South Africa.

Furthermore, the international positions adopted by the South African government in the WTO,
and similar international institutions, carry significant implications not only for South Africa,
itself, but also in relation to the rest of Africa, and the countries of the South. And these positions
on and in the WTO also carry significant implications and challenges to popular forces - in South
Africa and throughout the world – who are critical of the WTO as the central global institution
now driving neo-liberal economic globalisation which is imposing such heavy costs on peoples
throughout the world, and particularly in Africa.

It is in this context that the following aspects and implications of South Africa’s official
participation in the WTO, and its activities in relation to the WTO need to be seen, questioned
and actively followed up by progressive organisations and popular movements in this country,
with counterparts in Africa, and internationally.

2. THE NEW SOUTH AFRICA IN THE WTO

As the new democratic government in 1994 began to review this country’s position in relation to
the many international institutions, it was faced, as in every other area, with the bureaucrats of the
apartheid regime still in office, and with established commitments to a range of international
agreements. Amongst the most significant of these in the WTO were
• heavy undertakings on extensive trade liberalisation - under the **General Agreement on Tariffs and Trade (GATT)** – appropriate to the status of a ‘developed’ country, according to the decisions of the previous SA trade negotiators;
• significant constraints - under the **Agreement on Trade Related Investment Measures (TRIMs)** - against foreign investment regulations, such as terms supporting local industrial development, technology and skills transfer, labour training, and so on;
• expanded commitments to internationally binding guarantees of corporate ‘intellectual property rights’ over science and technology, production processes and products, such as pharmaceutical drugs, under the **Agreement on Trade Related Intellectual Property Rights (TRIPS)**.

Together with a host of other trade and ‘trade-related’ agreements, these were part of the ‘single undertaking’ that South Africa had signed onto during the Uruguay Round (UR) of multilateral negotiations (1986-1993). This round was finalised in Marrakech, in January 1994 and set up the World Trade Organisation (WTO) at the start of 1995.

**Taking over commitments to existing agreements**

After the new South African government assumed office in May 1994 it did not challenge these agreements - which might be understandable under the immediate circumstances. But, even as the implementation of the extensive tariff reduction undertakings began to have manifestly negative effects on production and employment within SA in the following years, the new democratic government stood by the trade and ‘trade-related’ international commitments of the previous regime - and even actively defended them. The rapidly emerging argument was not only that South Africa was already ‘legally committed’ to these agreements, but that they were in fact a necessary part of ‘integrating South Africa into the global economy’.

The more immediate practical concern of the Department of Trade and Industry (DTI) in Pretoria, as with all government departments in South Africa, was to try to replace the most questionable and incompetent of the old technocrats with new officials in whom it could have more confidence. Amongst many other demands, this included creating an effective new team in Geneva to deal with the WTO. However, even as the gradually reconstituted SA Permanent Mission to the WTO tried to get to grips with the enormous complexities of the existing UR agreements and the multiplicity of ongoing processes in the WTO, the ground was shifting under their feet. The major powers dominating the institution were repeatedly introducing new agreements and raising ever more new issues of interest to their own economies and corporations for inclusion in the WTO.

The Uruguay Round Agreements (URAs) and the vast array of rules and regulations enshrined in the WTO reflected and reinforced the dominance of the most highly industrialised countries over the rest of the world, and the disproportionate power of their governments in the so-called multilateral - but thoroughly imbalanced and undemocratic – Uruguay Round negotiations. And there was no let-up in the pressures exerted by them even in the immediate aftermath of the ground-breaking Uruguay Round. The **new agreements** slipped into the WTO in the years immediately following its establishment - largely on the initiative of the US government, instigated by its global corporations - included

- Information Technology (at the First WTO Ministerial Conference in Singapore 1996),
- Electronic Commerce (at the Second WTO Ministerial in Geneva in 1998) and
- Biotechnology (attempted but stopped, together with the Third Ministerial in Seattle in 1999)
The growing range of **new issues** being proposed for negotiation - mainly but not only on the initiative of the European Union - in order to produce yet further new agreements in the WTO include, amongst others, most significantly

- ‘multilateral investment’ terms, to provide rights of entry and operation, and extensive protections and guarantees for international investors in all countries;
- open access for global corporations to participate in programmes of ‘government procurement’, that is the award of public tenders in almost all spheres in all countries;
- uniform competition policies to create a ‘level playing field’ for global corporations and investors all over the world, and particularly in relation to national/public corporations and state enterprises where they still exist;

In order to promote these and other new agreements through these and other new issues, the ‘Majors’ in the WTO [the major powers], led above all by the EU, began to build up pressures, particularly from 1998, for a new multi-sectoral or ‘comprehensive’ round of WTO negotiations. Ambitiously dubbed the ‘Millennium Round’, this was planned to be launched at the Third Ministerial Conference (3MC) of the WTO scheduled for Seattle in the USA, 29 November-3 December 1999.

### 3. PREPARING FOR THE THIRD WTO MINISTERIAL CONFERENCE IN SEATTLE

The new South African team in Geneva, as with many other developing country delegations, struggled to cope with the many regular meetings, and other day-to-day demands in the WTO, as well as the extremely complex (pre)negotiations towards the framing of a consensus text to guide the Third Ministerial Conference agenda. At this stage the South African government seems to have been supporting the general position of the majority developing countries against the launch of a new round. This was argued to be premature so shortly after the ground-breaking and far-reaching Uruguay Round, which most countries were still struggling to deal with. And a new round was considered unacceptable in terms of the intention to include many new issues to create yet more agreements in the WTO which would impose yet further burdens on most developing countries, particularly in Africa\(^1\). The added burdens would arise both from their economic impact and implications, but also from the extreme difficulties for such countries to cope with the multiple simultaneous negotiation processes proposed.

However, the South African multilateral negotiations team was also, even before the Second Ministerial in May 1998, preparing what they argued to be necessary ‘fall back positions’ should resistance to a new round fail. This sounds sensible enough. But the relatively inexperienced new negotiators on the ground - and even their, only marginally less inexperienced, strategic mentors back in Pretoria – do not seem to have sufficiently recognised the fact that, once articulated, such potential fall-back negotiating positions are rapidly transformed into actual ‘front line’ positions. As soon as they are perceived by acutely attentive and highly experienced negotiating opponents,

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\(^1\) The terms ‘developed’, ‘developing’ and ‘least developed’ are part of the terminology in international institutions to refer to countries at different levels of economic development, the former referring to the most industrialised economies, which technically is a more accurate definition. These terms are employed in this paper as short-hand indicators but within the clear recognition of their inadequacy in capturing the complexities of the internal situations and global locations of most countries. And with the conviction, above all, that the use of the generic term ‘developing countries’ to embrace the huge number and range of countries in Africa, Asia and the Pacific, Latin America and the Caribbean does not adequately reflect their wide economic diversities or, indeed, the fact that many of them are not ‘developing’ but stagnating or even regressing on a number of indicators. In fact the more accurate terms would be enriched (Northern) and impoverished (Southern) countries. It is, above all, artificial and potentially divisive to draw a clear line between ‘developing’ and ‘least developed countries’ (LDCs) especially in Africa.
such compromise ‘fall back’ positions are skillfully drawn into the current (pre)negotiating processes rather than some hypothetical later/alternative stages.

What is more, independently of what negotiating opponents might do, it is extremely difficult for any negotiators to keep a number of alternative balls in the air at the same time. Unless carefully planned, monitored and controlled, there is an objective tendency for alternative positions, once formulated, to follow an inevitable ‘logic’ or inner dynamic. They require similar time and efforts to the ‘main’ negotiating positions, and gradually become an intrinsic part of the negotiating team’s current thinking and positioning. This is a very complex and insidious process, and it requires enormous grasp of all the legal/technical details, and tremendous tactical skill - and large, well-balanced teams of experienced negotiators - to be able to sustain a number of simultaneous, but separate and distinct, negotiation positions. This South Africa did not have.

Over and above such problems, South Africa’s multilateral trade officials, whether in Geneva or Pretoria, in fact shifted quite rapidly from an intended, or apparent, multi-layered strategy towards an approach explicitly preparing for a multi-sectoral new round. This was because the policy framework within which the key South African economic ministries were functioning had, in the years following 1994, shifted towards the globally dominant neo-liberal paradigm, expressed internally in the government’s Growth Employment and Redistribution (GEAR) programme (1996). At the same time, in its external trade and investment policies, South Africa was adopting positions accommodating to the ‘unavoidable realities of globalisation’, according to DTI analysts. This was reflected in the government’s conviction that South Africa had to ‘integrate into’ and ‘open up to’ the global economy. This was soon being implemented both through bilateral agreements, such as the free trade agreement with the EU (1998), and multilaterally in international institutions. This strategic orientation, in turn, reinforced the internalisation of the assumptions and the implementation of the requirements of the multilateral agreements and the multilateral institutions shaping and driving that global economy.

In the meantime, also, the new-and-old Ministry of Foreign Affairs officials - with some undoubtedly motivated by genuine African concerns, but many increasingly susceptible to the ‘realist’ paradigm of international relations - were juggling with the government’s overall strategic visions and formal commitments on Africa, and at the same time - or in so doing - defending ‘national interest’ concerns. The tensions between the engagement with and for Africa, on the one hand, and yet playing a role in Africa reflecting and advancing South Africa’s own strategic approach and internal and international economic interests, on the other hand, contributed also to shaping South Africa’s particular role in the WTO. Furthermore, like the main economic ministries, but with even less grasp of the nature of the global economy, the Department of Foreign Affairs (DFA) was ‘realistically recognising’ and accommodating to ‘the realities of the global system’.

By the time the DTI came to hold a public consultative conference on the WTO 3rd Ministerial Conference in Midrand, Gauteng, 24-25 August 1999, this meeting was explicitly entitled “Consultative Conference in Preparation for the WTO Seattle Ministerial and the Upcoming Round of Multilateral Negotiations”. South Africa’s trade strategists had already decided ‘realistically’ that a new round was going to take place, and were preparing accordingly. This was despite the continued opposition to the new issues and the new round by most developing countries - of which the SA negotiators were certainly aware. This was also, not surprisingly, with no acknowledgment of the growing international civil society campaign declaring “No New
Round! Turn Around!” – of which DTI technocrats may have been unaware, at least until that point.

What was evident in that consultative conference, in August 1999, was that the trade experts in the DTI were not developing effective means and arguments to challenge the new round with new issues being pushed by the Majors in pursuit of their own interests. In fact, many of the trade officials, old and new, had gone beyond their supposedly tactical compromise arguments and were already actively promoting some of these new issues. But this selective adoption by South African trade strategists of some of these highly tendentious [biased or self-serving] and highly contentious [questionable or challenged] new issues reflected not merely tactical inadequacies or ideological pre-dispositions in the technical officials. They reflected South Africa’s broader strategic orientation to the global system and its dealings with the WTO, but these emerging positions also reflected calculated ‘national interest’ decisions by DTI and other national strategists.

This was particularly clear, on the one hand, in the officials’ arguments against the acceptance of government procurement as a new issue in the WTO. This was because this posed the danger of government having to give ‘national treatment’ to all global corporations [the same opportunities as those provided to any domestic companies] in SA government tendering for public works and public services at national, provincial and local levels. The proposed obligation to give ‘national treatment’ to foreign corporations would impinge directly on governmental commitment to use the award of public tenders as one of the affirmative instruments to promote small and medium domestic enterprises and, above all, serve the hitherto disadvantaged black population and women in particular.

On the other hand, in response to the tendentious demand by the governments of the richest industrialised countries and international business and investment agencies, that full and unfettered investors’ rights be located in the WTO, DTI officials, stated with ingenuous frankness, and a naivete about the implications of what they were saying, that South Africa was not opposed a priori to this new issue because ‘this country is also a foreign investor in other countries’; thereby confirming a widespread conviction in Africa about the DTI’s role in the promotion of South African capital investment in Africa and abroad.

**Pretoria’s consultation with South African civil society**

A further significant aspect of this meeting - that needs to be brought to the attention of popular movements and progressive organisations in South Africa - is that this belated public consultation took place after the DTI had already decided its overall strategic approach to the 3rd Ministerial and even specific negotiating positions. If any changes did indeed come out of the discussions on the latter, that would only have been on some very specific details, and these were largely introduced by other government department officials or business representatives. Despite the efforts of the few NGOs and trade unionists present, the discussions did not even begin to give serious consideration to the overall strategic approach and investigate real alternatives in depth.

This weak impact by mass movements and progressive organisations is not surprising because the DTI’s consultative exercise was overwhelmingly focused on business, with a minimal and largely nominal presence of a few trade unionists and selected NGOs amongst the two or three hundred

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2 Although in her plenary presentation at the consultative conference in Midrand, this writer gave a report and clear warning to the South African government that a global social movement was growing, opposed to the WTO and determined to stop a new round being launched at the Ministerial Conference due in Seattle.
participants in the conference. The meeting was, above all, largely a token exercise in popular consultation because of the inadequate prior information and very limited knowledge of the issues even amongst those people’s organisations that were present.

In his opening presentation to the Midrand conference, the Minister of Trade spoke magnanimously about including representatives of business, labour and other community representatives in the government delegation to Seattle. He also referred to this in his later plenary presentation at the WTO Ministerial in Seattle as evidence of the working of South Africa’s democratic processes (see page 11). However, when making the offer at the Midrand meeting, he stressed that this inclusion of civil society members within the government delegation to Seattle was on the clear understanding that any persons so included would be an integral part of the government team and publicly bound to government positions.

The DTI apparently went through a further ‘consultative’ exercise on its WTO positions within the tripartite NEDLAC processes. However, without a range of independent sources of information and analysis, it is not surprising that the trade union and community representatives incorporated out of this process into the government delegation to Seattle had very limited bases upon which to really engage with and influence the government’s positions on the complex range and variety of agreements and key issues, even had they wished to do so ‘behind the scenes’. This poses significant questions about the hopeful intentions - and, indeed, the very rationale of the strategies - of those trade unions and other popular organisations that are oriented towards such incorporation into government delegations in the WTO and other contentious international processes. Above all, the problematics of representatives of peoples organisations being incorporated into - and publicly identified with - official government positions internationally become more fully evident in considering the evolution and effects of the South African government’s strategic approach to the WTO, starting with its specific engagement with Africa.

**South Africa’s engagement with Africa on the WTO**

In keeping with its own official prioritisation of its relations with the rest of Africa and especially Southern Africa, the new democratic government in Pretoria was, at the start, engaging with them on and in the WTO. At this period, South Africa and the other members of the Southern African Development Community prepared a joint position for the First Ministerial Conference of the WTO in Singapore at the end of 1996. Already at that date, the SADC countries were calling for the first ministerial meeting to “focus on the implementation of the Uruguay Round Agreements [in order to] take stock [and] find out if the expectations we had in Marrakech on the prospects of economic growth and sustainable development, and of better international relations that the Uruguay Round had promised has, by any degree, been achieved”.

This position was sustained in the joint African submission prepared for the Second WTO Ministerial in Geneva, in May 1998, with the added observation that, without a full review of the existing Uruguay Round Agreements, there “could not be any launch of a major new round”. Furthermore, the African position stated that “negotiations on new issues are premature as the Built-in-Agenda [of negotiations and reviews carried over from the Uruguay Round] is already overburdened”. These general strategic positions, and other more detailed proactive proposals on a wide range of issues and problems, were sustained and enlarged upon in many subsequent African inter-governmental meetings and other processes.

These wide-ranging processes of research and analysis, planning and training included important African non-governmental initiatives for capacity building of African trade officials, in conjunction with UN agencies such as UNCTAD and the UNDP, the South Center based in
Geneva and even the Commonwealth Secretariat. These efforts were evident in national and inter-regional processes, but most notably through the Southern and East African Trade Information and Negotiations Initiative (SEATINI), in 1998 in Harare, 1999 Kampala, 2000 in Harare and 2001 Lusaka. The Africa Trade Network and the African Gender and Trade Network also played important roles in information and capacity building of Africa non-governmental organisations, as well as contributing to the SEATINI governmental training processes. The effectiveness of these efforts was evident, on the one hand, in the role of African negotiating teams in Geneva and Seattle and, on the other hand, in the effectiveness, the legitimacy and the recognised role of independent African non-governmental organisations there (see pages 10-11).

However, as the campaign towards a new round built up, African governments were under ever-increasing external pressures, within the WTO processes in Geneva and more generally, from their governmental aid and trade ‘partners’ in the North and their institutional financial underwriters. The OAU Secretariat in conjunction with the neo-liberal-inclined UN Economic Commission for Africa, and with support from the IMF and World Bank and the WTO itself, all did their best in various meetings, in Addis Ababa and elsewhere, to encourage Africa towards more accommodating positions. South Africa itself hosted two such meetings for the Least Developed Countries (LDCs) and African trade officials, in Sun City and Pretoria respectively, during June and July 1999.

By the time the African Ministers of Trade gathered in Algiers in September 1999 to agree their joint negotiating position for the WTO’s Third Ministerial Conference, they produced a somewhat cautious and accommodating document with many weaknesses and insufficiencies noted at the time 3. But the ‘Algiers position’ document is also proactive and even innovative on some key development issues for Africa. These included proposals for

- a review of various existing WTO agreements such as the UR Agreements on Agriculture and on Subsidies which are so prejudicial to African development needs;
- an emphasis on the reinforcement and extension of the Special and Differential Terms (SDTs) for developing countries in all WTO agreements and processes;
- various points relating to improved market access and the removal of tariff and non-tariff barriers against African exports into the most developed countries; and
- a call for a review to make the WTO terms for regional trade agreements (RTAs) more supportive to African regional cooperation and integration programmes.

There was, however, a major weakness in the Algiers position. It notes the problems in the “implementation” of the UR, in the sense of the unfulfilled undertakings and commitments made by the developed countries towards developing countries during the Uruguay Round and in the Marrakech Treaty and Ministerial Declarations that concluded the Round and set up the WTO (see page 16,2) However, the main focus of the African position out of Algiers is on the implementation difficulties of African countries, themselves, in complying with WTO requirements and fulfilling their obligations (see page 16,1). This was accompanied by repeated reiterations of their perennial appeals for more financial aid and technical assistance.

In the context of an assessment of South Africa’s influence on the overall African position, the one obvious point is that Africa maintained a non-committal position on a new round of negotiations and did not endorse South Africa’s call for a new round. Unlike South Africa, the

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joint African position also explicitly maintained the broader developing country position for keeping the ‘new issues’ in ongoing ‘study groups’ and out of WTO negotiations. South Africa, as a member of the OAU could be presumed to be party to this joint ‘Algiers’ position.

In the simultaneous pre-negotiations going on in Geneva South Africa seems to have participated in the meetings and strategising of the Africa Group. This group was formed by African representatives to the WTO who came together for some sharing of responsibilities, information and experiences in order to try to compensate for the extreme weakness and lack of personnel and resources of most of the African delegations in Geneva. They also drew up common positions on key issues, such as the well-considered and ground-breaking Africa Group proposal for the review and reform of the Trade Related Intellectual Property Rights agreement - in which members of the SA Mission in Geneva are reported to have played a positive role.

Yet, South Africa throughout this period and these processes was, in fact, preparing its own positions and pursuing its own strategy. This was now officially premised on explicit support for a new round, defined in the cabinet endorsement as a “broad-based” round 4. This formulation suggested a slightly less ambitious and more independent conceptualisation than the round that the Majors were aiming for. This and other subtle changes of language by South Africa were designed, on the one hand, to accommodate the various new issues that South Africa, itself, was prepared to take on. On the other hand, this formulation was also designed to reassure other developing country governments that South Africa was not simply acquiescing with the EU proposals for a ‘comprehensive round’; and yet Pretoria was, at the same time, sending out a clear signal to the EU that South Africa was in principle supportive of a new round.

4. SOUTH AFRICA’S OFFICIAL ROLE AND VIEWS ON SEATTLE

Right from the start of the Seattle process, South Africa emphasised to the rest of the Africa Group that, while it acknowledged the official African ‘Algiers’ position, it was committed to the broader Geneva consensus-building process aiming to produce a text to guide the way to a new round. As with some other countries, South Africa also stated that it would operate on the principle that delegations were entitled to pursue their own national positions and strategic aims. But this had particularly marked significance in the case of South Africa because it was about to assume a distinct role and controversial practice in the Seattle context.

Some of the SA delegates, as with the rest of Africa, were assigned to attend the various issue-based Working Groups, although they soon discovered that these were mere diversionary devices set up by the WTO Secretariat and the USTR (US Trade Representative) to keep most of the developing country and LDC delegations satisfactorily occupied 5. In fact, most of the African delegations were left in the corridors wondering what was going on. Even with many more members and resources, members of the large South African delegation, including a sizable number of trade union representatives from COSATU, NACTU and FEDUSA could, for much of the time, be seen wandering along the corridors less informed than the independent African non-governmental organisations about the contentious processes underway and the widely differing positions on the full range of complex issues.

In fact, as is now well-known, the real ‘negotiations’ on the ‘Geneva Text’ - and other periodic new texts appearing suddenly and being selectively circulated - were being conducted in the

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5 Or, as one of the South African delegates observed in the corridors, the Working Groups were “a phony exercise in transparency”.

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inaccessible upper floors in what were called ‘Green Room’ conclaves between the Quad (the EU, US, Canada and Japan). Also invited periodically into these inner-negotiations were reliable countries such as Singapore and South Korea, and occasionally a few other ‘difficult’ developing countries which were most resistant, such as India, as well as other states considered to be ‘pivotal’, such as South Africa on account of its perceived ‘leadership role’ in Africa.

The official assessment of the 3rd Ministerial Conference by the SA government Mission in Geneva acknowledged, after the event, that this highly selective and exclusionary process was “strongly condemned by non-participating delegates both in principle and substantively” 6. But the South African Minister of Trade, in his plenary statement to the WTO conference, accepted this *modus operandii* [method of operating] on the grounds that “the very complexity of the rules means that it is impossible to negotiate effectively in a situation where every Member State contributes all the time on every issue”. 7 Although the Minister did pose the question as to how “the tension between inclusivity and effective processes” could be bridged, this did not guide South Africa’s own practice during the conference.

The later official South African justification for its participation in the exclusive ‘Green Room’ processes, was that it was doing so to promote a ‘development agenda’ which would be in the interests of Africa. However, what many of the African delegates in the corridors noted (and some expressed with barely disguised anger) was that, while the South African Minister and his key advisers were busy in exclusive meetings to ‘promote a development agenda’, ‘in the interests of the developing countries and Africa’, South Africa neither sought formal endorsement for what it was doing, nor did it even report back consistently and consult with the Africa Group during the process. This is all the more significant in a country with experience of a strong political culture of democratic participation, collective mandates and constant accountability report-backs!

South Africa not only acted separately from and self-appointedly ‘on behalf of’ the rest of Africa, but the chief South African negotiator in the Geneva mission concluded, after the event, that co-operation “amongst a smaller group of delegations” had achieved significant progress behind the scenes in altering bracketed (that is, contentious) phrases in favour of developing countries 8. But within that *modus operandi* and that frame of mind, SA delegates were reportedly visibly uncomfortable and un-supportive when members of another African delegation, not part of the privileged invitees, managed to get into one of these selective meetings and tried to participate 9.

More significantly, the key negotiators in the South African delegation were so immersed in and committed to the ‘inner-group’ processes that they were taken aback when they became aware on the penultimate day that the whole Africa Group had been driven to the exasperated point that they were preparing a statement of protest against the entire conduct of the meeting. South Africa belatedly intervened to moderate the wording but the process went ahead. The outcome was a highly significant – if diplomatically phrased – collective African statement rejecting the lack of transparency in the proceedings and the marginalisation of African countries. The statement

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7 ‘Statement by H.E. Mr Alec Erwin, Minister of Trade and Industry, South Africa’, 1/12/1999.
8 see footnote 6
9 Personal testimony to this writer from African delegates
concluded that, under those circumstances, “we will not be able to join the consensus required to meet the objectives of this Ministerial Conference”\textsuperscript{10}.

Together with similar statements by CARICOM (the Caribbean Group) and some Latin American countries, these unprecedented acts of protest combined with other less public forms of resistance by other developing countries, particularly those in the Like-Minded Group (see page 30). This added to the climate of contestation created by the even more critical opposition by hundreds of non-governmental organisations lobbying in the corridors, with tens of thousands of others demonstrating on the streets throughout the meeting. In this context there simply could not be ‘business as usual’. The usual methods of the major players in the WTO, in the past, had been to present – or impose – their own consensus upon the rest of the member states as an unavoidable \textit{fait accompli} [thing done, no longer worth arguing against] that had to be accepted or else the whole ‘delicate consensus would unravel completely’. In Seattle, however, right to the end, there were continuing differences between the Majors. But even if these differences had been bridged, it is extremely doubtful whether, in the circumstances prevailing, they could have maneuvered sufficiently to ‘sell’ their consensus to the rest of the members. Thus, in the highly charged atmosphere within and around the Seattle conference, and in large measure to pre-empt an open procedural ‘revolt’ by a sizable number of delegates from the plenary floor of the conference, the 3\textsuperscript{rd} Ministerial of the WTO was hastily closed.

\textbf{The South African delegation’s responses to the collapse of the Seattle Ministerial}

As the whole process fell apart late on the last night - amidst much amazed rejoicing by the NGOs present - the South African delegates were manifestly dismayed\textsuperscript{11}. Earlier, members of the South African delegation had confidently predicted, in informal conversations in the corridors, that the developing countries would not stand together and would have to accept the outcome of the ‘consensus text’ in the process of being created - with South Africa’s participation - for a new round. In fact, the South African negotiators were convinced that they had achieved “significant progress” in dealing with various of the 500+ ‘brackets’ reflecting contending positions on virtually every issue in the 36 page draft Geneva Text that had come out of the laborious pre-negotiations processes. Although acknowledging, later, that even getting some favourable amendments into this highly contentious text did not \textit{per se} guarantee broader acceptance in the COW (Conference of the Whole), the South African negotiators were, by this time so deeply embroiled in the inner deals that they had developed a sense of identification with the process and the product.

More generally, the South African negotiators seem to have been carried away by a sense of their importance as “major players” on the global stage, as “a bridge between the developed and developing countries”, as the SA Minister of Trade put it\textsuperscript{12}. The key South African negotiators were seemingly so out of touch with what was actually going on in the conference corridors - let alone out on the streets - that even after the event, they continued to believe that ‘if only they had had another 48 hours’ they would have managed to pull together a satisfactory consensus document upon which the new round could be launched. This sense of frustration added to the overt anger expressed by members of the South African delegation – both governmental and non-governmental - that these hours had been stolen from the negotiations because of the delayed start

\textsuperscript{10} ‘Statement presented by Mr John Abu MP, Minister of Trade and Industry of the Republic of Ghana and 1\textsuperscript{st} Vice-president of the OAU/AEC Ministerial Committee on Trade On Behalf of African Ministers of Trade’, Seattle, USA, 2/12/1999
\textsuperscript{11} Direct personal observation by this writer in the final plenary session of the 3\textsuperscript{rd} Ministerial
\textsuperscript{12} In his opening plenary presentation in the Midrand consultative meeting in August that year.
to the conference caused by mass demonstrations. Their arguments supported those of the SA Minister of Trade suggesting that the mass blockades of the Convention Center and delegates’ hotels could have been the result either of official mismanagement or deliberate collusion by the US authorities with the demonstrators on the streets of Seattle.

It was on this matter that the South African Minister of Trade had earlier used much of the precious five minutes that each country delegation had on the Ministerial plenary platform to present the essential elements of their country position. Speculating, on the one hand, that possibly the “bad management” of the demonstrations by the US authorities was a skillful negotiating ploy “designed to give us some insight into the pressures that the United States and, to a lesser extent, the European Union experience”; at the same time the SA Minister criticised “the incoherent response of the USA to their own domestic pressures”. The US, he said, was allowing the demonstrators on the streets to “disrespect our own democratic processes”.

Reactions of the official SA delegation to the role of civil society in Seattle

On this subject, it is significant to note that - even before the full import and ultimate impact of the demonstrations was confirmed – the SA Minister publicly characterised the demonstrators as having little understanding of “what was at stake”, and declared that “we should not allow the working of the WTO to be held hostage to this inchoate process”. Carefully affirming the commitment of the new democracy in South Africa to “involving all our various interest groups in the complexities of trade and trade reform” 14, the SA Minister dismissed the demonstrators in Seattle and called on the US government to educate its population on the issues. This is a questionable notion in itself, but is even more inappropriate in the light of the fact that many hundreds, if not thousands, of the demonstrators who had gathered into Seattle came from Canada and Europe and from all over Latin America and the Caribbean, Asia and the Pacific; with some dozens of organisations from Africa, including South Africa itself. And, while certainly diverse in their views and depth of understanding of the detailed issues within the WTO, this world-wide range of organisations were equally certainly not an “inchoate” [undeveloped, amorphous] mass. The mobilisations in Seattle had emerged and converged out of processes of intensive research and debate, in a wide variety of organisations, and through actions and campaigns on many key issues, in many sectors and many countries throughout the world over many years 15; and this has been fulsomely born out, since Seattle, in the ongoing actions and vast expansion of the international movement against neo-liberal globalisation, and the WTO itself.

Most of the African organisations in Seattle caucused under the umbrella of the continental Africa Trade Network (ATN) together with the Africa Gender and Trade Network. They engaged in exchanges with other South and North NGOs, and set up effective encounters with the international media on behalf of, and with, some of the official African and Caribbean delegations. Those African NGOs officially ‘accredited’ to the WTO interacted with African delegations in the corridors of the Convention Center and – due to the greater flexibility and inventiveness of their modus operandi, their wider-ranging official and unofficial sources of information, as well as their grasp of the processes and issues - they often knew more than many official African delegates did, including from South Africa, about what was actually going on.

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13 See footnote 7
14 But see again pages 5-6 above for an analysis of the DTI’s ‘consultative process’ in the Midrand and the constrictive conditions set for the inclusion of civil society representatives in the South African government delegation to Seattle.
15 See Dot Keet ‘Alternatives to the WTO Regime – A discussion paper on tactics and strategies’, Alternative Information and Development Center, Cape Town, November 2000.
The full meeting of all the African Ministers of Trade present at Seattle seemed to acknowledge this role by formally receiving submissions from the African non-governmental organisations.

The South African delegation did not meet officially with the African NGO caucus in Seattle to hear their views or receive their documents, although many other African delegations did. The South African delegates do not seem to have read the insightful analyses and detailed technical criticisms of the WTO and its specific agreements by non-governmental experts from around the world, or the more general critiques of the impact of WTO-driven corporate globalisation by hundreds of highly experienced analysts/activists from Africa, Asia and the Pacific, Latin America and the Caribbean. If they had, the official SA delegation might have been more cautious in characterising them as an uninformed mass.

Furthermore, rather than dismissing the demonstrations - as even some of the non-governmental members of the SA delegation did - their own experience in SA should have equipped them to look beyond and behind the lurid images deliberately selected and projected by the TV of violence and destruction on the streets. Both governmental and non-governmental members of the SA delegation should have been able to understand that such broad movements are always very diverse, often internally inconsistent and sometimes do include minority elements that differ from the agreed majority methods and deliberately seek violence. Members of the South African delegation should have been informed by their experience in the struggles in SA to try to understand what was motivating many tens of thousands of women and youth, faith-based and community organisers, professionals and trade unionists, peasant leaders, indigenous people and environmental activists from all over the world to demonstrate on the streets of Seattle against the WTO and corporate-led globalisation.

Had the SA delegation – particularly the participants from peoples organisations within the official delegation – made real efforts to listen to and discuss reports from the many South African civil society organisations participating in the hundreds of workshops, seminars, teach-ins and serious debates on each and every issue of concern amongst the tens of thousands of activists gathered in Seattle - and the many millions worldwide who could not be there - the SA Minister himself, as a former trade unionist and activist of many years, could have learned a great deal and might have been more cautious about dismissing these activists as naive tools of the US government.

Post-Seattle counter-campaign to re-legitimise the WTO

South Africa’s own chosen role in the inner-negotiations in Seattle may indeed have had some effects upon the Geneva text, but that role also reinforced the conviction of key European governments about South Africa’s ‘reasonable’ approach and further cooperation in support of the WTO. Even before leaving Seattle, the British Minister of Trade declared that “Britain is expecting SA to be a key partner in a new multilateral drive to reform the WTO”18. Soon after, under the headline “SA could help put next WTO round on track”, the Business Report quoted EU Trade Commissioner Pascal Lamy that “South Africa and the European Union could play a

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16 Largely instigated by police provocations and violence according to participants, including from South Africa, who were actually on the streets at the time.

17 It is to the credit of one or two of the – still, relatively, civil society-connected - members of the official SA delegation that they did, according to their own affirmations, try to enter into some dialogue with some of the protesters. Unfortunately, bound to the official SA government position, they still publicly agreed with the Minister’s analysis, and at that stage continued to question the legitimacy of the protesters

18 Peter Delmar, ‘SA may be vital to WTO reform’, Business Report, Johannesburg, 7/12/99.
leading role in rekindling the move towards a new WTO round**19. And, in the succeeding months, taking their cues from visiting European government representatives, the SA media reported, for example, that both the SA and French Ministers of Trade and Industry “agreed that another WTO round was necessary …… sometime next year”. The Business Day supported the decision of the SA and Italian Ministers of Trade and Industry to “team up…to explore the possibilities of resuscitating the world trade negotiations”*20. And so on.

Of course, the mainstream South African media, with little critical understanding and much unquestioning commitment to the neo-liberal corporate agenda and global institutions, could be expected to promote the WTO and a full new round of global liberalisations. And it is also entirely to be expected that the EU Trade Commissioner and various European government representatives, as the driving forces behind the new round, would energetically engage with the more susceptible governmental - and some non-governmental - players to win active support for their strategy 21. EU Trade Commissioner Lamy promised LDCs improved market access to the EU as a “goodwill gesture”, which the WTO Director General referred to as “a down payment” towards their active support for a new round. It was in this context, too, that the British trade minister, with some political sensitivity to the causes of the fiasco in Seattle, was quick off the mark with the lure of ‘reforming’ the WTO; while the British minister for international cooperation, with insight into the ‘developmental’ discourse [language], was particularly active in promoting with the South African government the promise of a new round in the WTO as a “development round”.

Aware of the skillful methods of seasoned European politicians, it would be understandable for critical analysts and activists to see in all this yet another conspiracy to co-opt the South African government into playing a cooperative international role as a ‘responsible’ player, and a ‘reliable’ partner; or, as EU Commissioner Lamy put it, echoing the words of the SA Minister of Trade, South Africa is an important “bridge between the countries of the north and those of the south” 22. However, even as these forces are indeed engaged in a sophisticated co-optive strategy to make use of South Africa, they also clearly took their lead, and were encouraged and able to advance their strategy by building upon the statements and positions of key figures in the South African government itself.

In the immediate aftermath of Seattle, under the heading “WTO process in still valid”, the Business Report chose to highlight the statement by the Chair of the SA Parliamentary Committee on Trade and Industry that it would be “a misreading of the WTO process to claim it had collapsed – or that it would be a good thing if it had”23. More significantly, it was soon reported that the Minister of Trade and Industry had “launched a WTO initiative”24. Speaking to a joint meeting of the key parliamentary committees, in January 2000, the Minister informed them that “South Africa has been active since the troubled WTO meeting last month” and was already in touch with Brazil, India, Nigeria and Egypt, aiming to meet within a month to “formulate a way to take the initiative further” 25.

19 John Fraser, ‘South Africa could help put next WTO on track’, Business Report, Jo’burg, 22/06/2000
21 See Dot Keet, pages 8-9 op cit; footnote 15 above.
22 John Fraser, footnote 19 above, quoting Pascal Lamy, EU Trade Commissioner.
23 Lynda Loxton ‘WTO process is still valid’ Business Report, Johannesburg, 8/12/1999
25 ibid
In the following months President Mbeki was reportedly engaged in creating “a club of developing countries to work as a counterweight to the established G8 leading Western countries, particularly in forums such as the WTO”. The larger/middle-income developing countries identified by the trade minister could, according to the SA Minister of Foreign Affairs, “form the nucleus of countries in the South that can interact on behalf of developing countries”. Top foreign affairs officials were soon declaring to the media that South Africa was “calling for an early resumption of WTO trade talks”. But, over the next year and more, it was above all the SA Department of Trade and Industry that took the lead in engaging the South African government – and purportedly the intended members of South Africa’s own selected and selective ‘club’ - in numerous bilateral and multilateral meetings to promote this agenda. And this was done, as always, with the active approval of the SA media; repeatedly projecting the trade minister himself as “playing a leading role in trying to get the next round of global talks on track”.

5. SOUTH AFRICA’S APPROACH TO THE WTO

Following on from the dramatic events in Seattle, with many significant lessons to be drawn about the character and functioning of the WTO, and highly significant broader political processes outside of the WTO, post-Seattle assessments by South Africa’s Head of Mission in Geneva, acknowledged a number of important challenges facing the SA government. These included the observations that “no member can effectively advance an agenda without accommodating the interests and concerns of the vast majority ….. [amongst whom] the developing countries are an increasingly effective force”; but “the inherited practices and procedures in the WTO are increasingly obsolete, unclear and ad hoc, lacking in transparency and in need of fundamental reform”.

Although there was also some public acknowledgment of some of the challenges and changes evident in Seattle, the full global implications were not drawn out. Particularly significant was the official failure to take on board the implications of what was already recognised throughout the world to be the emergence of a powerful anti-globalisation movement. This movement was soon also making its presence felt at every international meeting and in relation to all the major international institutions. And it was, above all, targeting the WTO as one of the key instruments being used for the restructuring of national economies towards their regulation and control within the new global neo-liberal dispensation. The shortcomings of the official South African assessment of the global political significance of the processes in Seattle was a further reflection, and reinforcement, of this country’s official strategic orientation towards the WTO and its endorsement of the emerging global economy. This position missed, above all, the broader implications and the positive potential of these popular forces/processes in support of more resistant strategies by South Africa, by Africa, and by the South in general to change the global balance of power and the emerging global regime and system.

26 William Gumede, ‘Developing Countries – Mbeki wants to open South-South Club’, Financial Mail, Johannesburg, 18/02/2000
27 ibid
29 William Dhlamini, ‘Trade-South Africa: Mbeki Attempts to Secure a united Block’, IPS, 12/05/2000
31 Ibid ; and, interviewed by Business Report (8/12/99), the Chair of the Parliamentary Committee on Trade and Industry did note “a certain change in the balance of forces which can be used productively by developing countries”, but this too was located in the context of the necessity to resume negotiations.
Even within their chosen orientation towards the WTO, there was not appropriate recognition by the official South African assessment, post-Seattle, even of the basic necessity for the prioritisation of institutional reforms within the WTO. Full democratisation of this institution should have been a fundamental *sine qua non* [indispensable condition] for any further engagement in this institution by a democratic government. Like many of the otherwise useful observations, the points made in this connection were simply located within - and subordinate to - the South African government’s pre-Seattle strategic orientation. This remained fundamentally unchanged, despite the highly significant processes manifest in Seattle, both within and around the Ministerial Conference. Thus, the overall conclusion of SA’s internal post-Seattle assessment was that “(f)or South Africa the objectives set out in the Cabinet Memo of November 1999 remain the basis for our engagement with the WTO. A broad-based round of multilateral negotiations remains the framework that is necessary to meet all our objectives fully”. It is this determined and pre-determined pursuit of a broad-based new round of negotiations that has carried the South African government into an increasingly questionable negotiating stance and role within the WTO – and that also carries implications for many other countries as well. This role is an objective function and effect of the fundamental strategic choices made, independently of Pretoria’s self-defined ‘good intentions’ and declared ‘tactical’ aims.

**Tactical and strategic errors in the official South African approach**

Even with regard to South Africa’s rationalisation for supporting the WTO as a necessary ‘rules-based’ organisation, which is, in itself, a questionable strategic judgment, and whatever its claims are to be working for the ‘development needs’ of Africa and the rest of the Third World, several critical observations are called for. Even within its own strategic options and tactical approach, South Africa’s openly-declared defense of the WTO and active promotion of a new round is self-defeating and certainly self-weakening both in conceptualisation and in implementation. An effective negotiating team understands the crucial importance of not showing their ‘hand’, their full intentions or aims beforehand, if at all. In fact, skilled negotiators, such as trade unionists, know full well the importance of adopting advanced bargaining positions at the outset. Prior preparation, wider information and public engagement are important in order to bring maximum pressure to bear, to influence or change the terms of the negotiations, and wherever possible to shift the balance of forces. Such pre-negotiating processes are vital to build up mutual support between as broad a number of players as possible, and create strategic or at least tactical alliances between them. Thus, the initial bargaining positions are not simply delaying tactics but fundamentally important negotiating strategies if used correctly.

In the WTO and in relation to the major negotiating opponents, South Africa has thrown away its own bargaining leverage by committing itself beforehand, and publicly, to a new round. In so doing, the SA government missed the strategic importance, even within its own option of, at the very least, adopting initial ‘advanced bargaining positions’ and building up alliances based on these in order to alter the terms of the debate and the balance of forces before accepting any formal negotiations, whatever their eventual scope and content. In fact, the South African negotiators seem to have failed to grasp the fact that the ‘pre-negotiations’ and positioning going on in Geneva and in capitals throughout the world, before and since Seattle, are not simply prevarications or procrastinations. They are vitally important in themselves and intrinsic to the overall process. The debates and declarations, the common platforms and alliances being built up in these processes are potentially crucial means to try to change and firmly set the terms, in advance,

- on the content and character, modalities or guidelines, and the time-frames of currently ‘mandated’ negotiations already going on;
on the adoption and implementation of essential prior conditionalities to any consideration of any further negotiations whatsoever;
and, only after those, and after there have been significant shifts in the balance of forces, on the sequence and scope of any possible future, explicitly agreed negotiations.

These are the tactical and strategic aims that underlie the constantly repeated arguments and insistence by the majority of developing and least developed countries, especially in Africa, on the pre-eminent importance of prioritising and dealing with the many issues related to the implementation of the Uruguay Round Agreements and the very functioning of the WTO.

Substantive and tactical significance of ‘implementation issues’

Of all the many issues and options facing South Africa and other developing countries, the most significant in terms of an effective overall proactive strategy in the WTO is the wide range of issues and demands encapsulated under the term ‘implementation’. But, precisely because of their centrality and full significance, there are a number of different and divergent interpretations of the substantive meaning and therefore practical implications of these ‘implementation issues’.

1. At its most basic ‘implementation’ is used to refer to the full application of the Uruguay Round Agreements and other WTO requirements, as they stand. The WTO Secretariat and the most powerful member states have, as a result of considerable efforts by the governments of developing countries, gradually been pushed to acknowledge that there are practical problems in the implementation of the Uruguay Round Agreements. However, the Majors and the WTO Secretariat choose to see this to mean the technical difficulties and lack of resources/skills of the LDCs and other developing countries, especially in Africa, in implementing the URAs. This is, in fact, a reality and some of the economically, technically - and politically – weaker countries, such as in Africa, constantly complain about this, and even prioritise it in their own understanding of the meaning of ‘implementation’ (see page 7 above). However, deliberately focusing on the ‘inadequacies’ and ‘failures’ of these WTO member states to measure up to the requirements of the URAs, and to dutifully implement the URAs as they stand, the ‘solution’ of the Majors and the WTO Secretariat is merely to offer such countries technical assistance. What this means in the view of WTO technical/legal personnel is that such governments are to be helped to understand the legal terms of the URAs, change their national legislation and institutions accordingly, and thus fulfill their obligations. In this way, the WTO Secretariat and the Majors, by seeming to respond to ‘implementation problems’, are trying to take over and limit the term and turn it to their own purposes.

2. A more critical understanding of the problems of implementation, supported for example by UNCTAD, point not only to the difficulties of the developing countries in fulfilling their obligations, but also to the failure on the part of the developed countries, themselves, to carry out their side of the bargain struck in the final agreements signed in Marrakech in 1994. For many African countries and LDCs, this refers to the promises of “best endeavour” measures by the Majors to support weaker economies technically and financially, especially the Net Food-Importing Developing Countries (NFIDCs), that “might” (according to the official wording) be prejudiced by the UR general trade and agricultural liberalisation 32. Eventually, in order for the

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32 As was anticipated in calculations of losses of $2.6 to $3 billion facing such countries, made at the time by UNCTAD, and subsequently confirmed in general terms even by OECD and World Bank studies.
developed countries to be seen to be carrying out these promises, the WTO, after many years of African and LDC complaints, produced an ‘Integrated Framework’ of technical support to such countries in 2001. Funded by some of the more politically astute Northern governments, and bringing together a range of international institutions, this belated ‘implementation’ exercise, known as the Joint Technical Assistance Programme (JETAP), is actually very limited in coverage, is not prioritising the most pressing problems and is not addressing the full range of developing country criticisms and proposals. In fact, it is mainly designed to deflect attention from the fuller and more fundamental implementation demands upon the developed countries being posed by the developing countries, as in the following.

3. More broadly, for developing countries the lack of implementation of the URAs by the US and EU and other developed economies, goes much further. This refers also to their skillful evasion of their own formal legal undertakings made during the UR to liberalise their own economies - in blatant contradiction with their continued ‘global liberalisation’ propaganda. Using a variety of legal and technical devices the highly industrialised countries avoid opening up their markets to competitive exports from developing countries, particularly textiles, clothing and leather products, and even agricultural exports. In many of the highly developed economies there are obstructive tariff peaks against developing country exports that are much higher than those applied to each others’ exports. There are also tariff escalations - targeted tariff increases rising in step with the degree to which exports from developing countries have undergone value-added processing or manufacture. Conversely, the most industrialised countries have still not put an end to their own subsidised dumping of agricultural and other exports onto developing countries. Yet they, and particularly the US, continue to utilise protectionist ‘anti-dumping’ threats and actions against competitive exports from other countries - claiming that such products are ‘unfairly’ being exported at prices below their real production costs. The victims of such protectionist actions have raised many criticisms of such developed country policies and practices; and insistence on rectification of these abuses is a constant focus of the demands of developing countries throughout the world, including even South Africa.

4. There is, however, an even wider rectification demanded by developing countries within the WTO that goes further still. This refers to the legal, moral and economic necessity to remove the many inconsistencies and imbalances that have been identified in the dozens of WTO agreements. Dealing with these anomalies [irregularities or inconsistencies] is integral to the struggle around ‘implementation’ because it was only as developing countries had the time to analyse the legal texts in fine detail, and began to test them out in practice, that it became evident that there were fifty glaring “deficiencies, imbalances and required changes” in the WTO agreements. The inequities within and imbalances between WTO agreements largely reflect the overwhelming power and negotiating skills of the developed countries during the UR, and the lack of the same in the majority developing countries. Thus, as they became aware of the injustices in substance, and the abuses of power in practice, the demand was raised for a “review, repair and reform” of the WTO proposed by governmental and non-governmental agencies throughout the world. This

33 Such as back-loading their tariff reductions to the later stages, or the very end, of the stipulated ten year phase-down ‘adjustment’ period for their economies; which they insisted upon during the Uruguay Round negotiations …. but which is routinely denied to developing countries by the IMF and World Bank.


35 Even the authoritative and very mainstream Financial Times of London, Week-end Edition 10-11/11/01 noted that the URAs “subsequently came as a shock to developing countries. They found themselves facing a daunting administrative burden to implement deals of little interest or benefit to them. They have also not gained as much as they had hoped from liberalisation in agriculture and trade”.

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demand refers both to the WTO’s agreements and to its structures and functioning. In this context, the conclusion is that the WTO must not be expanded to take on new issues and new agreements until the errors, inconsistencies and imbalances of the previous round are corrected.

5. The broadest and strategically the most important arguments on the issue of implementation in the WTO - although still largely from NGOs and researchers within the UN, rather than governments - concern the manner in which the implementation or operation of the URAs, whether by developing countries themselves or by the developed countries, has impacted negatively upon developing countries. The demand is that there have to be thoroughgoing and independent impact assessments of the WTO’s terms and agreements as they affect developing countries and as they impact upon shared global concerns such as the world environment. Such assessments would have to be based on multi-dimensional criteria, in the nature of ‘development audits’ and ‘environmental audits’, and located within gender equity perspectives. All such perspectives, rather than merely trade liberalisation policies and practices, as in the official WTO ‘reviews’ at present, would be the over-riding considerations in such evaluations. Compliance with any deadlines for implementation of existing agreements would have to be suspended while such agreements are being subject to reviews and reforms, as in 4 above. In this context, too, a moratorium would have to be placed on WTO ‘dispute’ cases being brought against ‘defaulting’ governments while such impact assessments are underway.

Clearly, how the issues of implementation are interpreted and located in the argumentation of the developing countries have both substantive and tactical implications. The most important substantive implications are the implicit challenges posed to the WTO agreements (as in 4 above) and the entire paradigm on which it is based (as in 5 above). And these have to be firmly grounded on the development needs and perspectives of the developing countries because these are vitally important in and of themselves. However, in addition to this fundamental strategic basis for engaging with and changing the global system, there are also immediate tactical implications within the struggles in the WTO as such. These tactical considerations relate to the skillful utilisation of these implementation arguments as powerful counter-demands against the demands of the dominant countries. Developing countries, especially in Africa, have been struggling to make the acceptance and operationalisation of these implementation issues essential pre-conditions to any consideration of any further negotiations - whatever the proposed designation, scope or timing of any such future negotiations.

South Africa’s ‘broad-based and balanced round’

After a period of reluctance to actively take up the ‘implementation issues’ South Africa was eventually persuaded by the very persistence of the developing countries to incorporate some of these into its own positions, although only in the sense of the necessary review of some of the existing URAs, as in 3 above. South Africa’s key negotiating positions acknowledge that there are indeed problems within various of the URAs that have to addressed but it focuses on four of these that are of most concern to its own economy.

- Starting with the Agreement on Anti-dumping, SA points out that this needs “strengthening .... in a manner which reduces its scope and potential for abuse and harassment from narrowly protectionist interests”.
- On the Agreement on Subsidies, SA “seeks to broaden non-actionable subsidies to include measures aimed at achieving, in a fiscally responsible manner, legitimate development goals,

36 See also pages 30-33 below.
37 “Note on South Africa’s Approach to the WTO and Key Elements of a Negotiating Position”, December 2000. Presented to the SADC Ministers of Trade as the basis for discussions in March 2000.
including support for industrialisation, diversification, and the manufacture of high technology and value-added goods”.

- Under the TRIPS agreement, SA “would seek to ensure that the benefits of intellectual property regimes are equitably shared between the innovators/owners and users/consumers of technology…[and also] ensure, amongst other things, the protection of bio-diversity, food security and access to essential drugs”.

- On the URAs relating to health and safety standards “developing countries require considerable technical, human and financial support to upgrade their production for export”.

These are all certainly justifiable demands, as far as they go, although this is not far enough. Amongst many insufficiencies, the SA proposals on TRIPS do not, for example, take up the Africa Group proposals on the non-patentability of life forms and micro-organisms, and other important proposals relating to community knowledge rights. Nor do these ‘key’ SA positions seem to include the Agreement on Trade Related Investment Measures (TRIMs) even though it carries negative implications for SA’s domestic production programmes.

However, the fundamental problem is that the overall South African strategy is to aim to deal simultaneously with these needs together with the mandated negotiations and reviews in the Built-in-Agenda carried over from the Uruguay Round, as well as various other new issues, and other matters. These are all to be located within a “broad-based and balanced negotiations agenda that accommodates the concerns and interests of all WTO members … which would permit trade-offs among issues”.

But, in order to ‘accommodate’ all WTO members’ concerns and interests, as well as the existing mandated WTO negotiations and reviews, this ‘broad-based’ agenda could hypothetically include a combination of some or all of the following:

- the negotiations on the Agreement on Agriculture, and the General Agreement on Trade in Services (GATS) that were mandated at the end of the UR to be resumed from the beginning of 2000;
- the many Special Reviews, such as of TRIPS and TRIMs, as well as the Agreements on Subsidies and on Anti-Dumping that were also prescribed for further work at the end of the Uruguay Round;
- some or all of the new (or so-called ‘Singapore’) issues - investment, government procurement, competition policy, environment and labour standards – so named because they were first mooted by the majors at the Singapore Ministerial Conference in 1996;
- other ‘new’ new issues, being promoted above all by the US, towards the framing of Agreements on Electronic Commerce, Industrial Tariff Liberalisation, Biotechnology and others;
- a range of ‘implementation issues’, as identified by South Africa itself, including revision of some existing agreements, such on Subsidies, and on Sanitary and Phyto-sanitary Standards;
- a range of other implementation issues emphasised by other developing countries, such as the non-implementation to date of the Agreement on Textiles and Clothing (ATC) and the Agreement on Agriculture (AoA);

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38 Government subsidies specifically permitted in the WTO, for certain periods and purposes, and applying to specific countries, which cannot be subject to dispute cases/charges within the WTO system.

39 See footnote 37
• a new Framework Agreement on Special and Differential Treatment (STD) for developing countries which is being proposed for the agenda of the 4th Ministerial by the Like-Minded Group (LMG) of developing countries;  
• essential changes in the institutional functioning of the WTO in general, and especially its current Dispute Settlement Understanding (DSU).  

Such a very complex ‘broad-based’ agenda is, in fact, what has emerged from the 4th Ministerial Conference in Doha (see pages 41-46). Furthermore, if the time-frame favoured by the US prevails, such a new round of negotiations is slated to be completed in three years, that is by January 2005. This is now also foreseen to result in yet another comprehensive ‘single undertaking’ by all members on all agreements at the end - which South Africa supports - rather than regular ‘early harvests’ of specific agreements, as they are completed, which the US had mooted earlier. The EU, for its part, proposed at one point that, if not all countries agree to specific negotiation outcomes, these could be signed by those that do, as ‘plurilateral agreements’. According to this view, other countries could - and indeed would inevitably have to sign on at later stages. However, under any of these scenarios - whether relatively brief, phased, or extended over many years as with the Uruguay Round – a new broad-based round of negotiations will clearly place enormous strains upon the material and human resources and technical capacities of most developing countries.

Furthermore, the above possible combinations and modalities for a possible new round of negotiations - all extremely complex and contentious in and of themselves - would have to be undertaken at the same time that the member states in the WTO would also have to be attentive to, and often directly engaged in

• a range of regular reviews, which are now part of the continuous functioning of the WTO, including general reviews and individual country reviews: on trade policies and notifications; customs valuations, import licensing, safeguards, technical barriers to trade, rules of origin, state trading and many other technical aspects of national regulations and international trade;
• a broad programme within the WTO for the review of all existing Regional Trade Arrangements (RTAs) and related Clauses/Articles within the WTO, which will particularly affect African countries and regional groupings, such as SADC, as well as the proposed African common market or an African Economic Community;
• four highly significant possible new working groups within the WTO and in relation to the global economic system, focused on some key trade-related concerns of the developing countries that are now being proposed as a proactive strategy by the Like Minded Group.

‘Trade-offs’ anticipated by South Africa

In addition to a serious underestimation as to what a ‘broad-based round’ would probably have to encompass, the further flaw in South Africa’s official thinking concerns the ‘trade-offs’ it anticipates between the concerns/interests of the developed and the developing countries, between highly industrialised, industrialising and non-industrialised countries. The ‘trade-offs’, which such a broad agenda would be designed for, would in effect be between

• essential corrections to lacunae, inconsistencies and inequities in existing agreements - originally produced through extremely imbalanced ‘negotiation’ processes;

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40 See pages 30-32 below
41 D Keet, Section 6, op cit, footnote 15 above.
42 See pages 30-31 below
in exchange for accepting yet more agreements biased towards the interests of those countries and corporations that already benefit most from the existing agreements.

These respective sets of demands - on existing agreements and on new proposed issues/agreements - are of a qualitatively different order. Corrections to existing injustices cannot be ‘traded off’ against further demands that may introduce yet more injustices. South Africa’s ‘broad-based and balanced agenda’ cannot be ‘balanced’, when the potential trade-offs are inherently imbalanced. The one set of proposals on implementation issues might provide some overdue relief within the status quo; but the new proposals would reinforce further structural imbalances in the global economy. To accept any parity between these respective sets of demands is to surrender an important principle of justice and equity.

Furthermore, with the more powerful governments insisting that, even in so far as they are prepared to look at their own non-implementation of Uruguay Round commitments and their Marrakech undertakings, these problems should simply be included in with all the issues to be negotiated in a new round. In this way, they are actually requiring that developing countries pay twice for the same ‘concessions’. The first time was within the UR and the second would be as proposed ‘trade offs’ in future negotiations, for which the developing countries would have to make further concessions to the more powerful countries ‘in exchange for’ the – belated – implementation of what should already be viewed as established agreements.

In anticipating and accepting the necessity for such ‘trade-offs’, South Africa also incorporated into its own argumentation on the WTO negotiations much of the ‘logic’ of the European strategic approach. This is most evident in the DTI’s conviction that a broad-based agenda allowing for trade-offs is essential in order for the EU to make concessions to the developing world. South Africa apparently accepts the EU’s argument that it, too, has to make gains - mainly on the incorporation of new issues, as well as on the further liberalisation of services through accelerated negotiations under the General Agreement on Trade in Services (GATS). Such gains, the EU argues, are necessary in order to compensate for the ‘concessions’ that the EU might agree to make to the developing countries’ demands in the negotiations, especially on the outstanding problems of the EU’s subsidised agricultural and protectionist trade policies. There are serious questions to be posed about South Africa’s acceptance of what is, so manifestly, an ‘advanced bargaining strategy’ by the EU. This applies similarly to the US’s negotiating tactics (see page 42).

Finally, for South Africa to publicly promote a wide-ranging round based on trade-offs is not only tactically unwise but is giving away important strategic ground at the very outset. The fundamental strategic preconditions are obvious:

- without a significant shift in the political balance of power within – and that means also outside of - the WTO;
- without the forging of inclusive and effective alliances of the developing countries – within the WTO and more broadly; and, above all,
- without a change in the internal structures and functioning of the WTO;

the anticipated trade-offs would inevitably weigh against the developing countries. Without such significant political changes, the vast disparities of human and material resources and negotiating skills, and the enormous covert external economic and political leverage - through both pressures and ‘persuasions’ - that the developed countries can exert over most of the developing countries, would inevitably produce very uneven ‘trade-offs’; as indeed was subsequently manifest in Doha (see pages 41-45).
South African strategists seem to feel that they can resist the political pressures and financial inducements [bribery, kick-backs and other corruptions] that undermine weaker countries, and that SA would ‘cope’ with such technically and politically complex multi-layered and multi-directional international negotiations. These judgements may or may not be correct; but if they are not correct they carry serious risks for South Africa, itself. There is a marked paucity of fully effective knowledge, skills and in-depth experience in South Africa on the huge range of issues and extremely complex simultaneous processes entailed in such multisectoral negotiations. This was evident in the relatively simpler bilateral negotiations between South Africa and the EU, even though the DTI has since tried to put a positive ‘spin’ on the outcome. Furthermore, against the background of South Africa’s obviously inept - and possibly corrupt - handling of its controversial international arms purchase negotiations, and its apparent failure to deal effectively with the pressures and persuasions therein, serious doubts about this country’s capacity to handle other extremely complex simultaneous international negotiations would certainly be justifiable.

It is, however, even more incorrect, on the basis of such self-confident - and self-centered - assumptions, for SA to speak and act in ways that put other countries, especially in Africa, at great risk. What is more, even where it could, South Africa is failing to effectively counter the disadvantages of such countries within the WTO, despite subsequently proclaiming this to be one of this country’s prime concerns in the WTO 43. South Africa merely included some references to reforms in the internal functioning of the WTO within the accumulation of issues in the broad negotiations basket. Fundamental reforms to the WTO’s modus operandii cannot simply be lumped in with the rest. Institutional reforms are of a qualitatively different character, and should be an essential pre-condition to any further WTO negotiations. This is both on the grounds of political principle and in order to ensure a more conducive (or less prejudicial) environment to allow full participation for all in the WTO. Such institutional reforms could provide some correction to the unequal access to information and inputs to discussions between the strong and weak members of the WTO, and could contribute towards altering the balance of power therein 44. This makes it all the more questionable for the SA government to have failed, within and after Seattle, to use its political/moral weight and democratic kudos to actively prioritise real institutional reforms as an essential pre-condition to any other discussions in or on the WTO 45. And this political failure has been reflected, also, in the acceptance by South Africa of a special role for itself as a WTO nominated ‘Friend of the Chair’ in the more recent and even more flagrantly inequitable and undemocratic processes in the 4th WTO Ministerial Conference in Doha (see page 37).

6. IMPLICATIONS AND EFFECTS OF SA’S WTO POSITIONS IN AFRICA

Whatever South African officials’ own assessments of this country’s skills and capacities, it is extremely questionable for South Africa to pursue a ‘broad-based’ agenda when the other African countries, and the LDCs as a whole, have been stating for years that they could not cope with and do not want a new and complex multi-dimensional round. And they reiterated this position right

43 “South Africa’s negotiating objectives seek to ensure……. Africa’s meaningful participation in the negotiations [and] an intrinsic consideration of SA’s strategy is to place Africa’s issues and concerns on the agenda”, SA Department of Trade and Industry, official report on The 4th WTO Ministerial Conference, Doha, Qatar, 9-14 November 2001, Pretoria, nd

44 Although, useful as such institutional reforms within the WTO could be, they are certainly not sufficient to change the balance of power within the WTO; see D.Keet, footnote 15 above.

45 At the very minimum, the SA government should have taken the British Minister of Trade at his diplomatic face value (see page 13 above) and pushed the UK and other Europeans to actively promote ‘reform of the WTO’; whereas, after some initial diplomatic statements about this, serious consideration of institutional reform was dropped even from their propaganda.
up to and during the WTO 4th Ministerial Conference in Doha, in November 2001 (see page 39). This African position, articulated ever since the First WTO Ministerial in Singapore in December 1996 (see page 22 above), had been demanding that priority attention be given to the implementation issues and to Africa’s most pressing problems and development concerns. While adopting much of the language, South Africa gradually, and then overtly, diverged from the rest of Africa and, especially during 2001, following the logic inherent in its own strategic choices, played an increasingly questionable WTO role in Africa and internationally. As events unfolded, South Africa’s decision to position itself ‘between’ Africa and the developed world carried ever clearer divisive effects.

South Africa’s increasing divergence from the rest of Africa

In one telling illustration of the growing divergence between South Africa and other African countries, in the first meeting of the African Group in Geneva, immediately after Seattle 46, the officials agreed to recommend to their Heads of Delegations that the immediate focus should be on the mandated negotiations [on agriculture and services], the Built-in-Agenda of reviews carried over from the UR, and on securing extensions of the expired deadlines in WTO agreements. They also concluded that “efforts to reconvene the Ministerial Round at any cost” would be “detrimental” to the multilateral system as a whole. It can confidently be concluded from the wording in the minutes that the (unidentified) dissenting voice arguing that “it would be useful to initiate urgent preparatory work for an immediate launch of a new Round of trade negotiations, which would be balanced and reflect the interests of all Members”, was in fact South Africa.

Similarly, in one of the ongoing informal meetings of the WTO General Council in Geneva during June 2001, spokespersons of the Africa group were reported to have been insisting that “the WTO agenda is already full and the WTO needs progress on mandated negotiations and reviews which are progressing slowly”47. However, the head of the SA Mission in Geneva argued, to the contrary, that “progress towards reconvening the Ministerial conference and launching new negotiations [should] not be held hostage in the mandated negotiations”. In this view, it was not advisable to pursue the mandated negotiations at that stage because “(f)ew if any substantial changes can be envisaged outside of a broad round of negotiations” 48. Not only was this a questionable political judgment but, as with many other positions and actions of the South African government, it was actively countering African arguments and the potential impact of some carefully negotiated joint African positions on the mandated negotiations and reviews within the Built-in-Agenda 49.

The frequent justification - off the record - by South African officials for following their own path is that ‘the African countries themselves are, anyway, not firmly united on these issues in the WTO, as elsewhere’. The more public position of the South African Minister of Trade laments that Africa, along with the rest of the developing world, has “not been able to operationalise its own unity” and tend to “merely articulate extremely basic positions and very seldom get beyond that”50. The insinuation being, of course, that South Africa’s positions are more sophisticated and appropriate, and the developing world could and should unite around these positions.

47 Eye-witness report on WTO General Council meeting 26/06/2001 by Shefali Sharma, Trade Information Project based in Geneva, Institute for Agricultural and Trade Policy (IATP), USA, 27/06/01
48 SA Minister Economic Geneva, January 2000, see footnote 37
Many African governments are, indeed, profoundly dependent economically and submissive politically to Northern governments and corporations and to the international finance institutions, and they are very susceptible to divisive external influences and pressures. Yet Africa managed to forge and maintain a highly effective unity in Seattle, despite the doubts and fears of some of the more compliant countries. In fact, as is well established in many other spheres, when the weak stand together they are immeasurably strengthened. Even the most vulnerable amongst them are protected under the cover of the collective position. Above all, the weight of the united whole is greater than the sum of the parts. The vital question to be posed, therefore, is whether South Africa’s overall strategic approach and specific tactics are countering or contributing to Africa’s potential united strength or its weaknesses?

**South Africa and targeted African countries in the WTO**

In keeping with its own international positioning, Pretoria’s initial strategy after Seattle was to target selected ‘significant’ counties in Africa. But Pretoria did not focus on active and assertive African countries in the WTO such as Kenya, Uganda, Tanzania and Zimbabwe, but rather larger and ‘more powerful’ Nigeria. This latter may be an important ally of South Africa in other spheres but it had not, at that stage, been particularly noted for its role in the WTO. 51. It is significant, however, that in the lead up to Doha, and with a new democratic government, Nigeria joined in more actively with the Africa Group in Geneva, adopting positions clearly at variance with South Africa’s, and was ultimately nominated to be the official spokesperson of the Africa Group in Geneva.

The other country in Africa targeted by South Africa, namely Egypt, is indeed one of the most experienced, active and effective of the African countries, and is the most significant in Africa with respect to South Africa’s planned WTO ‘club’. Taking their cue from the government, the media in South Africa reported approvingly on the “agreement between Egypt and South Africa on the goals for the forthcoming talks and their common strategy to build support for it amongst African and other developing countries” 52.

Although the Egypt-SA statement of February 2001 was largely based on South Africa’s own key negotiation document 53, a close comparative analysis between South Africa’s original positions and the compromise joint positions reached with Egypt is revealing. This shows that Egypt adopted much of the preamble and general wording of SA’s document but, in turn, effected some significant alterations therein 54. Some changes created an unfortunate weakening of some of the better SA positions with respect to its own industrialisation needs, but other modifications implicitly rejected South Africa’s willingness to place new issues on the negotiating table, particularly on competition policy and government procurement. The other significant correction to South Africa’s own earlier omission was an insistence that “the internal governance of the WTO must be addressed to guarantee the ‘ownership’ of the WTO by the developing countries”; although the joint statement seems prepared to have these issues of process considered “in

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51 Nigeria was reported to be “non-committal” about the new round according to Simon Barber interviewing Nigerian Minister Mustapha Bello, in Business Day, Johannesburg 4/04/2001.
52 ibid
53 see footnote 37
parallel to negotiations of substance”. A new paragraph was also inserted under Implementation Issues to the effect that “(w) e have a range of concerns under existing WTO agreements that we seek to address… [some of which] may be addressed through clarification of existing provisions, others may require re-negotiation”; although without specifying where/when these re-negotiations would take place, and whether that would mean before or within a ‘broad-based’ agenda. However, a further new clause was inserted to the effect that “(a)n over-ambitious or open-ended agenda for the new Round would constitute, in our opinion, a recipe for an impasse”.

In the final analysis, however, it is not merely the wording of such joint statements that is most significant (since they always contain diplomatic formulations, inconsistencies and deliberate ambiguities) so much as the subsequent actions of the respective parties 55. In fact, Cairo was reported to have been relieved when SA’s plan to hold a meeting there of potential supporters had to be abandoned for lack of response from invited WTO member states56. Above all, the Egyptian negotiating team in Geneva did not proceed to act in concert with South Africa. During the course of 2001, Egyptian officials in Geneva were still supporting the position that “we must not succumb to pressures to put implementation issues away or to put them in the wider context of a new round [whereas] decisions on issues of implementation have to be taken before the next ministerial in Qatar” 57. Furthermore, as with the other developing countries, Egypt pledged itself to “overcoming attempts to divide developing countries”. It is thus extremely unfortunate to note that, during 2001, divergences on WTO positions became evident between Egypt’s Geneva team and the Egyptian Minister of Trade, and between this latter and other ministries of the Egyptian government …. to which South Africa’s interventions may have contributed.

**SA’s interventions in regional African and LDC initiatives**

During the course of 2001, and as pressures built up towards Doha, South Africa’s aims to bring over as many as possible of the more accessible African governments or government officials to support its position in the WTO, were promoted not only through bilateral engagements but also through multilateral/regional interventions. These included frequent meetings with African ministers of trade where South Africa could use its political influence and economic and financial leverage, particularly with the Southern African countries and with the weaker states which are so tightly inter-linked with and dependent upon the SA economy 58. Subsequent official interpretations by the SA DTI claim that “an intrinsic consideration” in SA’s strategy was “to place Africa’s concerns and issues on the agenda”, and that South Africa “participated intensely in forging common African positions at sub-regional (SACU, SADC, SADC-COMESA) and at continental levels (African Union)” 59. In fact, this ‘participation’ and the ‘common positions’ that SA was determined to achieve were driven by its own agenda and caused considerable resentment and faced much resistance amongst African governments.

55 And, according to officials in the Egyptian Ministry of Foreign Affairs, this joint statement was not officially endorsed by the Egyptian government as a whole – personal conversation.
56 It is also interesting to note that EU Commissioner Lamy slapped down Italy’s plan with South Africa to hold a similar joint meeting with other developing countries to promote their views on a new round.
58 One high level government official from a SADC country expressed himself - off the record - angered by the barely veiled threat from a South African counterpart - off the record - that it would be more difficult for Pretoria to promote SA investment into his country if his government could not support new issues (which of course include investment) in the WTO – personal testimony.
For a start, despite concerted interventions by the South African DTI, the joint statement from the SADC trade meeting in Centurion, South Africa on 20 July 2001 noted that “the key issue for Doha is to achieve a fundamental development agenda that will address the existing imbalances within the multilateral trading system” 60; specifying that this entailed focusing on

- the primacy of the implementation issues arising from the UR, as per the WTO General Council meeting of 15\textsuperscript{th} December 2000, with the need for such issues to be addressed “in advance of” the 4\textsuperscript{th} Ministerial;
- “the elaboration of meaningful provisions on special and differential treatment for developing countries”;
- the mandated negotiations on agriculture and services, where “the reform process” in these areas needs to be effectively pursued;
- the requirement that any proposed industrial tariffs negotiations include a clear demonstration of the commitment by developed countries to deal with their own tariff peaks and escalations against African imports; and
- the proposed new issues, such as trade and investment, competition and e-commerce, which “although important … will have to be prepared for subsequent negotiations”.

These positions, and particularly the last two, certainly reflect the creeping influence of some of South Africa’s demands, but also indicate the attempts by other SADC governments to try to contain and mitigate their effects and promote a more proactive agenda.

South Africa then tried to exert its influence within the global LDC meeting in Zanzibar 22-24 July 2001. But the Least Developed Countries resisted the ‘new round’ approach - and the very participation of South Africa in the meeting - and focused their proposals for the 4\textsuperscript{th} Ministerial Conference on

- the Built-in-Agenda, where they stressed that Special and Differential Treatment has to be part and parcel of any ongoing negotiations;
- the implementation issues, on which they expressed the expectation that “significant movement” would be made “before, during and after the Doha Conference”;
- the new issues, where it was argued that there was “no substantive basis for entering into negotiation on these, and that the study processes should continue in working groups”;
- the necessity for technical assistance to enable LDCs to have the necessary capacity to negotiate in the WTO in a meaningful way.

Pretoria also – opportunistically 61 – resorted to intervening in the 30-31 July 2001 Cairo meeting of the COMESA grouping, in order to try to gain endorsement for the South African approach. Although South Africa’s presence in the meeting raised murmurs amongst COMESA members, an acceptable formula was contrived to legitimise South Africa’s presence, and Pretoria proceeded to use its allies in the ranks of the (divided) Egyptian government to play a key role in the direction of the meeting. This included the covert - and highly paradoxical - instigation of the Egyptian chair by the SA Minister of Trade to get all persons not part of COMESA government delegations ejected from the meeting. Although this was designed to exclude the non-governmental observers from the meeting, this sweeping order resulted in the embarrassing eviction of the multilateral organisations present (such as the ACP Secretariat and UNCTAD) and

60 ‘Communique of SADC Ministers of Trade and Industry’ Centurion, South Africa, 20 July 2001
61 ‘Opportunist’ because South Africa is not a member of Common Market of Eastern and Southern Africa, and in going to this meeting in Cairo on the WTO appears to have been hoping to use the dominance of the free trade paradigm within COMESA to mobilise their support for the WTO, even through South Africa has for many years been countering the more complex developmental SADC approach to COMESA’s simple ‘trade integration’ approach.
even US government and business representatives. The order was then hastily amended to explicitly exclude only NGOs; an action in contradiction with the COMESA’s formal readiness - and the democratic South African government’s formal commitment - to be open and transparent in their work and accessible to African civil society.

A further SA-Egyptian initiative in this meeting was a joint ‘non-paper’ which they demanded be tabled on a par with - and in order to counter - the COMESA Secretariat’s official report which stated, correctly, that the African countries did not want any more new issues to be incorporated into the WTO. In this respect, it is also relevant to note that this SA-Egypt non-paper posed the importance of investment being placed within the ambit of the WTO - that is, by two of the very few countries in Africa that are, or have ambitions to be, ‘foreign investors’ in Africa and elsewhere. This ploy was rejected by the COMESA meeting. Similarly, although South Africa argued that many of the issues being proposed for inclusion in the WTO had, anyway, already been implemented in Africa under IMF/WB structural adjustment programmes, the counter-argument was that such neo-liberal policies were, in principle, reversible under different financial or economic circumstances in their countries, whereas, once enshrined in the WTO, they would become universal, obligatory and fixed.

The final ploy by the SA-Egypt Trade Ministers ‘team’ was to try to avoid an official declaration reflecting the agreed positions emerging from the meeting; insisting instead that only a ‘working report’ should be issued reflecting all the different positions presented – including, of course, South Africa’s. This did not gain acceptance. The COMESA Trade Ministers produced their own joint paper, including an endorsement of the general approach already taken by the LDCs (above) and they underscored, amongst many other detailed points,

- “our disappointment with the imbalances contained in the URAs and the lack of progress in solving the implementation issues”;
- the need for measures by the developed countries on improved market access, financial and technical assistance and technology transfers to developing countries;
- the reviews of TRIPS and TRIMs to “recognise the trade, financial and overall development needs of developing and least developed countries”;
- the negotiations on agriculture and services “to be conducted in the context of the built-in-agenda and not as part of any proposed wider negotiating framework”.

South Africa’s role in the continental African deliberations and official position

In addition to the above tendentious regional interventions by South Africa in Africa, even more contentious - and self-assertive - actions by South Africa were evident during the continental


The SA Minister of Trade argued earnestly in his plenary presentation in Abuja, as he routinely does in all such meetings, that Africa should accept a broad new round of negotiations in order to accommodate the demands of the powerful countries, because, without that Africa “would be subject to bullying” by more powerful governments. Although a real threat, this did not convince the majority of African ministers that this was the most effective strategy and that they therefore had no choice but to submit to a new round. South Africa then insisted that the wording in the

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62 Personal testimony of Tetteh Hormeku, the Africa Trade Network’s appointed observer at the meeting.
63 A ‘non-paper’ in international meetings/negotiations is a background paper designed to influence the content and direction of the debates, without being a formal submission for inclusion into the text being negotiated.
draft text - to the effect that there was a “convergence amongst African governments against a new round” - be altered to “no consensus”, or dropped altogether. This occasioned a lively debate but the offending clause was excluded from the final Ministerial Declaration.

South Africa could be equally satisfied with the final Ministerial compromise formula which, although it still insisted that the Singapore and other new issues “are not a priority at this stage”, acquiesced with South Africa’s insistence that they “are important”, with the open-ended recommendation that “on-going processes should continue in order to prepare for possible future negotiations in this area”. But, in the accompanying Document on Negotiating Objectives to be read in conjunction with the Ministerial Declaration, the African Ministers recall that various working groups have been established to study the issues and stress that “it is particularly agreed that the educative work should continue in the Working Groups on investment, transparency in government procurement, competition policy and trade facilitation”. Labour standards should remain within the purview of the ILO and environment should continue to be “examined in the ongoing work programme of the WTO Committee on Trade and Environment”.

However, when encountering real resistance on key issues for its own economy, South Africa showed the full extent to which it was prepared to go to get its way. The SA Minister of Trade arrived in Abuja to find that the draft clause on the proposed Industrial Tariff Liberalisation (ITL) required prior in-depth impact studies on the effects of already implemented SAP liberalisation upon industrial production in Africa; with the added proviso that any ITL negotiations in the WTO must not apply to least developed or developing countries, especially in Africa. Hardly disguising his anger with his own trade officials for allowing such a clause into the draft, that could run counter to the needs of South Africa’s own industrial exporters, Minister Erwin proposed a number of alternative formulae and proceeded to engage in skillful lobbying of the African ministers. In this he exerted particular pressures on SADC ministers not to “betray” regional unity. This did not, however, produce a text acceptable to SA and Minister Erwin departed from the meeting before the final decision - seemingly for entirely legitimate reasons - but left behind a message to the effect that it would be difficult for SA to join in an overall African consensus if it included clauses unacceptable to South Africa. Diplomatically expressed though it was, this was understood by the other African Ministers to be a barely veiled threat which, if acted upon by the strongest country in Africa, could lead to an unraveling of the already fragile unity across the continent. Following various interventions by South Africa’s fellow SACU members and supporters in SADC, particularly Botswana, Swaziland and Lesotho, the offending clause was duly excluded altogether from the final Ministerial declaration.

From the point of view of civil society organisations in Africa, other positions adopted by the South African delegation in Abuja need to be brought to full public attention. There was a large presence of trade unionists and NGO activists from many African countries engaged in parallel meetings around the Abuja Ministerial meeting. This was under the auspices of Nigerian trade unions in cooperation with the continental non-governmental Africa Trade Network. There were also various African NGO analysts and other international NGO experts lobbying around and even making contributions within the official processes. This is in keeping with formal OAU commitments to be ‘accessible’ to African civil society, and within established practice in other African trade ministers meetings. In their determination to prevent African trade officials and ministers from hearing the views of NGOs, members of the SA delegation were openly hostile towards the NGOs present. This included a direct personal attack on an internationally recognised NGO expert on the WTO, Martin Khor Director of the Third World Network based in Malaysia.  

64 Personal testimony from some SADC trade officials.
who had actually been invited by the OAU to provide specialist advice to the African trade officials.

Ultimately, despite the efforts of South Africa and its African acolytes, the final Abuja Ministerial Declaration, and the accompanying Negotiating Objectives document on which Africa based its united stand in the 4th Ministerial Conference in Doha, included positive emphasis on

- “the achievement of global growth and development for all WTO members, while definitively addressing the present inequities in the multilateral trading system”, reiterating “our concern with the imbalances in the WTO agreements”; and with the added point under the Negotiating Objectives that outstanding implementation issues should be resolved “no later than the 4th Ministerial”, in accordance with established WTO General Council decisions;
- the adoption of a Decision in Doha to make the principle of special and differential treatment for developing countries legally binding, so as to ensure that all SDT provisions are meaningful and effectively operationalised; with the added objective of “revaluing the efficacy, adequacy and sufficiency of the concept of transitional periods for developing countries to implement WTO agreements”;
- the full implementation of outstanding undertakings to least developed and net food importing developing countries, and effective technical assistance to them; together with various policy measures to support improved productive capacities and effective market access for African product and service exports;
- the re-affirmation of the understanding that TRIPS cannot prohibit governmental measures necessary to protect public health and nutrition; reiterating also the need to adequately protect traditional knowledge and genetic resources, and to ensure effective technology transfer;
- the guarantee through a Ministerial Decision that the “processes of decision-making in the WTO are transparent and inclusive”.

This overview is not to argue that the strategies of Africa and other developing country governments are always as effective as they could be. On the one hand, their strategic aims are not always as clear as they should be. Much of their strategy is located in statements so deeply embedded in complicated formulations and often ambiguous language that they open space for contrary interpretations motivated by very different intentions and thus weaken their own positions. On the other hand, where there are contradictory positions and lack of unity within Africa and amongst the developing countries this is also, in this context, due in part to South Africa’s own strategies and actions.

7. SOUTH AFRICA AND OTHER DEVELOPING COUNTRIES

Over and above South African governmental and media presentations and interpretations of the nature and effects of Pretoria’s tactics and strategies within Africa, this country is constantly portrayed by SA government spokespersons and the media to be playing a leading role in building alliances with and between other developing countries.

South Africa’s aims and claims about its ‘leading role’ for developing countries

Already in 2000, the Director General of the Department of Trade and Industry, was on public record declaring that in the WTO “South Africa has developed a leading role and is seen to articulate the best interests of the developing countries and those in the southern hemisphere”65.

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As the following evidence shows, it is highly debatable whether this self-proclaimed ‘leading role’ is a reality, whether SA can presume to understand ‘the best interests’ of ‘the developing countries’; and whether SA is, indeed, pursuing the interests of developing countries or economic and political interests within South Africa. The promotion of South Africa’s own global role and ‘national’ agenda is clearly indicated in the DTI Director General’s enthusiastic anticipation that South Africa was going to “be a principal at the next round of the WTO” 66 …… and this intention was, indeed, born out in the role that SA subsequently played in Doha (see Section 8, page 35 -).

Throughout 2001, SA spokespersons were engaged in an active propaganda campaign to convey the impression that their positions were gaining ground. Taking its lead from the SA Minister of Trade, the influential Financial Mail in Johannesburg declared in headlines, in July 2001, that “SA Leads the Charge for Developing Nations” in the WTO. These efforts in the SA media were partly for domestic consumption, to convince the - generally uninformed - public of the ‘positive role’ South Africa was playing within its strategic orientation towards the globalising economy and institutions, and to encourage the South African government further along the road it had chosen. Such media reports also reflected South Africa’s posture to keep up the persuasion or pressures on African and other developing countries. But, such presentations were also designed for external, particularly Northern, governmental and media consumption. South Africa has gone out on a limb on the WTO and has staked the credibility of its ‘leadership role’ not only in Africa but in the developing world as a whole, and it has to be seen by the major powers to be delivering on its claims to be acting as ‘a bridge between the developing countries and the developed’.

In the months leading up to Doha, the Minister of Trade was declaring with evident satisfaction that “(w)e have been able to play quite an important catalysing role for developing countries” in the WTO in “bringing together the bigger economies and the developing world” 67. Towards this end, the Minister expressed his conviction that “you have to participate effectively” and that what’s important is “the quality of the argument you can put forward, the ability to engage in discourse in a way that gets yourself heard”. This is a reflection of common self-congratulatory opinions amongst many of SA’s trade negotiators about the incisiveness of their technical grasp of the issues, the cogency of their arguments, and their highly effective negotiating skills. In contrast to South Africa’s own self-defined highly effective approach, other developing countries, according to the SA Minister of Trade, “merely articulate extremely basic positions and seldom get beyond that” 68.

The SA Minister did recognise that “at the end of the day” engaging in persuasive discourse has also to be backed by “some mobilisation of power”. In this, he declared, much depends on “the alliances you form”. In Minister Erwin’s view this means the “common positions” agreed with a “critical mass” of the other stronger countries identified by SA. In this context it is significant also to note which are the countries from which South Africa keeps its distance; how their approaches differ from those of South Africa; and how much key developing countries are, in fact, not part of South Africa’s much touted South Group.

**Keeping SA apart from the proactive strategies of the Like Minded Group**

South Africa has significantly chosen not to join the Like Minded Group (LMG) of more proactive developing countries in the WTO including other African countries such as Kenya,

66 ibid


68 ibid
Uganda, Tanzania, Zimbabwe and (until recently) Egypt. The LMG also includes, amongst others, Cuba, Honduras, the Dominican Republic and Jamaica in the Caribbean, and India, Pakistan, Sri Lanka, Malaysia and Indonesia in Asia, which have long been the most outspoken in opposing new issues and resisting a new round of WTO negotiations.

The LMG is not, however, simply a defensive group; justified as such resistance certainly is. This grouping has also, as part of a skillful counter-strategy, produced a range of position papers and proposals on a number of crucial dimensions of the WTO and ‘trade-related’ issues in the current global economic system. The LMG proposals focus on key problems that adversely affect developing countries, but which the Majors assiduously ignore and try to keep out of the debates in and on the WTO. These proactive proposals put forward as agenda items for the 2001 Ministerial Conference include:

• **Proposal for a Framework Agreement on Special and Differential Treatment** towards the legally binding institutionalisation of special provisions for developing countries in the WTO, recognising that the principle of SDT is “a fundamental building block of the multilateral trading system, conceived [under GATT] in acknowledgement of the fact that developing countries have entirely different capacities as compared to developed countries in terms of multilateral commitments and obligations”. Thus special and differential terms should be highlighted or incorporated into all WTO rules and agreements. The operationalisation of such provisions would be located within appropriate “transition periods linked to objective economic criteria (debt level, level of industrial development, scale and nature of external trade), as well as social and human development indicators (life expectancy, rates of literacy etc).”

• **Proposal for the Establishment of a Working Group on Trade and Primary Commodities** which is a fundamental problem for most countries in Africa and elsewhere, and a longstanding trade concern of all commodity-dependent economies. Following the collapse of most international commodity agreements, and in the context of the long-term decline in commodity prices and the deteriorating terms of trade between industrialised and commodity-exporting countries, there is a clear need in the WTO and other related institutions to address these trade problems. In the first instance, this entails the removal of tariff and other non-tariff barriers against such commodity exports. But, more proactively, a working group is needed to investigate WTO terms relating to commodity trade and, together with UNCTAD, “explore ways to attain stable, equitable and remunerative commodity prices and to promote viable diversification programmes to counter chronic oversupply into the developed markets and over-dependence in the commodity-exporting economies”.

• **Proposal for the Establishment of a Working Group for the Study of the Interrelationship between Trade and Transfer of Technology** based on the observation that “there is a real danger in the ‘new economy’ of haves and have-nots being replaced by a division between ‘knows and know-nots’, with developing countries permanently locked into an unequal trade and economic relationship with developed countries”. Deliberate policies for technology transfer are essential towards more advanced technological capacities for the economic development and diversification and the trade prospects of developing countries. UNCTAD has an important role in this. But there is also an urgent need to interrogate through a WTO working group the constraints on technological development aggravated by the application of TRIPS and other TBTs (technical barriers to trade), and to identify and operationalise all technology transfer terms expressed in existing WTO agreements, with appropriate revisions as indicated.

• **Proposal for a Working Group for the Study of the Inter-relationship between Trade**
based on the understanding that the external debts of many developing countries divert their important foreign exchange earnings made from international trade towards debt repayments. This constitutes a serious drain on the financial resources that could be directed towards improving trade and production capacities — in addition to providing essential services to their populations. The proposed working group would be tasked with studying the full trade and development implications of countries’ external debt burdens, and examining the modalities for identifying specific debt levels to be tied to exemptions from implementing market access commitments in goods and services; as well as setting specific debt levels that would trigger Special and Differential Treatment for all highly indebted developing countries within all WTO undertakings.

Proposal for the Establishment of a Working Group for the Study of the Inter-relationship between Trade and Finance based on the clear evidence that “the rapid growth and diversification of financial instruments, the liberalisation and globalisation of capital markets, and the frequency of crises with potentially severe implications for the global financial and monetary system, also pose continuing threats to international trade and the multilateral trading system”. The proposal is that a working group is needed in the WTO to identify and operationalise all balance of payments/safeguard measures in existing agreements, recognising the different situations and needs of different economies. But also that such a Working Group - in conjunction with UNCTAD, the IMF and the G-24 of developing countries – “investigate the implications of exchange rate instabilities on trade, develop multilateral surveillance systems to ensure greater international financial stability, and create measures to alleviate countries damaged by such financial instabilities”.

With such proactive proposals, the LMG countries are providing highly relevant content to the developing country demands that serious impediments to their development be recognised and catered for in the WTO. At the same time, such proposals constitute important tactical counter-demands to those being promoted by the powerful industrialised countries. Where is South Africa in relation to the LMG and these important strategic issues and joint proactive initiatives?

The resistant positions of other developing countries

The most common position adopted by developing countries across Africa, Latin America and the Caribbean, Asia and the Pacific is on the vital importance of unity and cooperation amongst themselves to counter the power and pressures of the more developed countries. South Africa, however, sets itself apart in its practice, and is conspicuous rather for trying to build its own selective version of developing country cooperation, and agreement around its own preconceived ‘broad agenda’. Many developing countries, especially in Africa, also note with wry comments that, while South Africa keeps its distance from the more active and effective developing countries in the WTO, there is a contrasting readiness of South Africa to engage actively with the governments of the more powerful countries, separately and together.

It is also significant to note, in the face of continuing resistance by African and other developing country governments in the WTO, that the South African government has had to subtly alter its formulations in a number of ways. The descriptions/designations of WTO negotiations have shifted from being ‘comprehensive’ (EU), to ‘ambitious’ (US), to ‘broad-based and balanced’ (SA), and then to a ‘fundamental development round’ (WTO Secretariat). The formulation eventually employed by South Africa in its dealings with other African countries avoided altogether the use of the term ‘round’, referring only to “a fundamental development agenda” in
an attempt to disarm and win them over, and this was the language used also in the final Doha Ministerial Declaration.

The developing countries most repeatedly identified by South Africa as being central to its ‘South’ strategy in the WTO are larger and/or middle income countries such as Brazil and Chile, India, and China. This could be seen to have a certain strategic logic, but is not born out in reality, despite South Africa’s aims and claims. China, of course, was not a member of the WTO during 2001, and now that it is, Beijing may be expected to acquiesce with a new round as yet another of the many conditions imposed upon it for admission to the world body. There are, however some encouraging indications that China is suspicious of many of the new issues and, rather than submitting to a new round, may actually support the developing countries resisting this in the coming years.

Brazil and Chile are probably closest to South Africa in their positions within the WTO - in large measure because of the similarity of their economic interests and needs vis-à-vis the global economy, particularly as major agricultural exporting countries and members of the Cairns Group in the WTO. They are also notable for being countries actively implementing neo-liberal policies within their countries and in their international relations. But the “manageable agenda” that Brazil supports in the WTO seems to exclude some new issues that South Africa is prepared to take on board. Furthermore, it is interesting to note that African NGO representatives present in Doha report Brazilian delegates 69 - unlike their South African counterparts - expressing outrage in the corridors about the blatant manipulations and pressures brought to bear on African countries during the Doha Ministerial (see also page 40).

India maintained its distinctive independent approach before, during and to the very end in Doha (see page 47), despite being specifically targeted for ‘recruitment’ by the SA Minister of Trade together with his UK counterpart and the WTO Director General 70. India’s argument throughout 2000 and 2001 continued to be that the mandated negotiations and reviews already constitute a big enough agenda for WTO negotiations, and that it is “a fallacy to argue that only with a comprehensive new round with many subjects could there be a balanced result” 71. It is also interesting to note that while South Africa defends the WTO as an essential “rules-based system” for the world, the chief of the Indian delegation in Geneva repeatedly, and rightly, criticises the WTO for being a “power-based system”. In the critical months before Doha many top Indian spokespersons stressed that “We are opposed to a new round in Doha and we are firm on this subject”, and that India would continue to oppose the launch of a new round “until the implementation issues are resolved” 72. India did, indeed, adopt a very different strategy to South Africa in Doha; in sharp contrast to the confident predictions by DTI officials of Indian support for the South African positions 73, and statements in the SA media before and after the event 74.

69 Personal testimony to NGO activists in the corridors at Doha.
70 Who joined together in approaching Indian Minister of Commerce and Industry, in Delhi, in the early months of 2000.
71 See footnote 57 above
72 The Indian Joint Secretary for Commerce and Industry and the Primer Minister of India on 18 August and 20 August respectively.
73 At the DTI consultative meeting on its general trade and WTO strategies; held in Pretoria 7-8/08/2001.
74 Business Day, Johannesburg, 7/11/2001; Financial Mail, Johannesburg, 18/02/2002;
Other active and articulate developing countries in the WTO, such as Pakistan and Indonesia\(^75\), also insisted on implementation issues being resolved before Doha\(^76\). Similarly, as a member of the LMG, the Dominican Republic declared that implementation issues are fundamental and "their solution should not be linked in any way to a new round [but] need to be addressed on their merits". What is more, according to the LMG, "even progress on implementation issues does not represent an automatic ‘yes’ to a new round"\(^77\). However, with practical responses to a mere two or three of the ninety three implementation issues noted during the WTO General Council meeting of 3\(^{rd}\) May, there was throughout 2001 a growing conviction that it would be unlikely that sufficient progress would be made before Doha.

When the Chair of the WTO General Council attempted, on 13\(^{th}\) July, to submit the preamble to a preliminary text for the Draft Ministerial Declaration for the 4\(^{th}\) WTO Ministerial in Doha, several developing countries indicated that "they did not want to discuss the text any further until the premise that there will be a new round is removed" and, furthermore, until there is progress on implementation issues\(^78\). In a Special Session of the General Council on Implementation Issues, on 20\(^{th}\) July 2001, there was a clear distinction between the developing and developed country views. For the former "implementation is the make or break issue before Doha". For the developed countries, however, the proposal that implementation issues should be dealt with before or outside of full new negotiations had to be resisted because that might not require "reciprocal actions" by developing countries "benefiting from implementation concessions"\(^79\). This illustrates, once again, the tactical ‘trade-off’ approach being pursued by the developed countries to compel the developing countries to make further concessions in return for the recognition of agreements already made but not implemented by the developed countries.

In addition to the implementation issues, the LMG and other active developing countries, such as the Philippines and Jamaica\(^80\) had repeatedly stated during the course of 2001 that their priorities were to achieve progress on the immediately mandated negotiations and reviews\(^81\). There was, above all, a widely held position amongst developing countries against the inclusion of the ‘new issues’ being pushed by the highly industrialised countries. Hong-Kong-China, as Chair of the General Council, went so far as to observe that "an overly ambitious agenda is a recipe for no round at all…[because] many developing Members are not yet ready to take on some of the new commitments beyond their means"\(^82\).

The biased processes leading up to the 4\(^{th}\) WTO Ministerial in Doha

When the WTO went into recess, at the end of July 2001, the carefully considered “sobering” assessment by the Chair of the General Council was that there were still wide differences between the members. The WTO Director General, for his part, expressed doubts about the prospects for the Doha meeting and the very future of the WTO. But when the WTO reconvened in September

\(^{75}\) There is a paradox in the challenging role in the WTO of quite dubious and even authoritarian developing country regimes, on the one hand, and on the other hand the accommodating and cooperative role in the WTO of democratic South Africa.

\(^{76}\) see footnote 47 above


\(^{78}\) BRIDGES, Weekly Trade News Digest \# 5.27, ICTSD, Geneva, 17/07/2001

\(^{79}\) BRIDGES, Weekly Trade News Digest, \# 5.26, ICTSD, Geneva, 10/07/2001

\(^{80}\) The latter invariably a well-informed and well-prepared member of the WTO and often speaking on behalf of the CARICOM Group.

\(^{81}\) see footnote 47 above

\(^{82}\) ibid
2001, it soon became evident that a new strategy was being implemented to outflank the resistance of the majority developing countries. The WTO Secretariat and the major powers behind them “having learned the lesson of the Seattle debacle, changed their tactics this time round” 83. In order to avoid the production of a highly ‘bracketed’ [contended or challenged] text as happened for Seattle, the WTO Director General and Chair of the General Council proceeded to go through “the mere motions of consultation and participation” and produced a draft declaration for Doha that was “most undemocratic, one-sided and discriminatory, and became more and more so with each successive draft” 84.

The first version presented on 26th September was heavily biased towards the agenda of the powerful developed countries, although on two of the key new issues, investment rights and competition policy, it did at least indicate that there were different positions. Despite developing country dissatisfaction with this text, and their many specific criticisms and counter proposals, the second revised version on the 27th October was still more biased 85. The priority concerns of the developing countries, such as the pressing need to review the implementation issues and TRIPS, were sidelined or given only “perfunctory acknowledgment” 86. Most of the problematic implementation issues - now numbering 102 in all - were actually located in two texts separate from the main text, although the developing countries had long been arguing for these to constitute the primary focus of discussion and work in the WTO, and to be the fundamental precondition for the negotiations in Doha 87.

Despite its pervasive bias and omissions, the main Ministerial Conference Draft was presented as a ‘consensus’ document. The Nigerian spokesperson for the Africa Group noted that this text “accommodated completely the interests of developed nations but ignored the concerns of developing countries”; with similar views expressed by the G77 grouping of developing countries and China 88. The majority of developing country speakers in the General Council meetings, on the 31st October and 1st November, argued that they would be seriously disadvantaged in arguing their positions in Doha on the basis of the ‘clean’ draft text which suggested general agreement amongst the WTO members but which was far from the reality. In established international practice, significantly different and dissenting positions are indicated by bracketed words, phrases, clauses and even entire sections, and these brackets provide the spaces and very basis for negotiations. As the Pakistan Minister of Trade observed, the Geneva text for Doha was “not a consensus text and there are many brackets in silence within it” 89. In contrast to these developing country positions, the official South African view was that “(t)he draft text contained finely balanced language that took into account the interests of the WTO membership as a whole and provided a good basis for the negotiations in Doha” 90.

84 ibid
85 It even removed the few earlier differing positions, and committed the WTO to negotiations on the new issues, although with the ‘compromise’ formula that this would be preceded by two years of ‘pre-negotiations’.
86 Walden Bello, “The Meaning of Doha”, Focus on the Global South, Bangkok, E-mail 23/11/2001
87 Business Day, Johannesburg, noted in an Editorial, 7/11/2001, that implementation issues raised by developing countries were not part of the main agenda but “have been relegated to a separate annexure, raising fears that the issues will receive too little attention”.
90 “ SA Department of Trade and Industry official report, see footnote 59 above
Failing to shift the WTO Director General and the General Council Chair - and behind them the major powers - and as the date of the Doha Conference drew near, developing countries resorted to demanding that, when the draft text was forwarded to Doha, it should at least go with a covering letter from the General Council Chair and the WTO Director General to the effect that there continued to be dissenting views and differing proposals amongst the WTO members. This was not done. Despite these last minute defensive proposals - and despite their long-standing arguments, many position papers submitted and months of efforts - developing country opponents of the agenda of the highly industrialised and more developed countries in the WTO arrived in Doha at an even more serious disadvantage than in previous WTO Ministerial Conferences. And worse was yet to come.

8. SOUTH AFRICA’s ROLE AT THE 4TH WTO MINISTERIAL IN DOHA

There has been such a flow of propaganda in the South African media before, during and after the 4th Ministerial in Doha, that the general public in this country might be seriously mis-led about the full realities of the process and South Africa’s role therein, about the outcome of Doha and the implications of this latest phase in the expansion of the role and powers of the WTO.

South Africa as an official ‘Friend of the Chair’ in support of a new round

From the very start, the Doha Ministerial Conference was characterised by procedural manipulations, beginning with the Qatari Conference Chair slipping the draft text through during the ceremonial opening session where there was no possibility for interventions from the floor. The normal practice in such meetings should at least allow for debate and confirmation or alteration of the agenda. Then, at the first business session, where the agenda should have been discussed, the conference chair staged what one African NGO observer described as “a well-rehearsed coup d’etat” 91. The Chair announced the appointment of six ‘Friends of the Chair’, with open-ended powers to hold consultations in six areas identified by the WTO Secretariat as requiring further ‘consensus building’. These consultations were to be on:

- the so-called Singapore (the new) Issues under the direction of Canada
- TRIPS and health under the direction of Mexico
- Trade and environment directed by Chile
- Agriculture under the direction of Singapore
- Implementation under the direction of Switzerland
- WTO Rules under the direction of South Africa

This procedure came as a complete surprise to the majority of delegations. There had been no prior public discussion on this, although there must have been consultations well beforehand in Geneva by the WTO Director General and the Chair of the General Council with the intended ‘friends’. South Africa must have known in advance of the special role that was to be given to Minister Erwin, but this was not discussed or communicated officially to the rest of Africa, let alone based on their endorsement. The Doha conference chair attempted to pre-empt 92 and then cut short any procedural discussion, but many developing country representatives, nonetheless, rose with probing questions on this procedure. India, supported by other countries, demanded that

92 In fact, the Chair was overheard by the entire assembly (since he had inadvertently left his microphone on) confirming with the WTO Director General that it had been earlier agreed that time should not be allowed for procedural interventions on the subject.
there be full transparency and the inclusion of all participants and all views; stressing that such consultations should not conclude that consensus had been achieved where this was not the case. There were also questions about the basis of selection of the strategically placed Friends of the Chair and the criteria for the selection and allocation of the issues to be dealt with.

The Chair assured the delegates that the Friends of the Chair did not represent any group but would act as facilitators ‘in their personal capacity’ – a somewhat strange notion at such a high level meeting and in highly charged international negotiations. In fact, their selection was clearly based on careful political considerations to produce a balanced global spread of the facilitators; but, whatever their geographical locations, they were all from the camp favouring the extension of the WTO’s scope and powers through the launch of a broad new round. South Africa’s own official position on the WTO was explicitly to “strengthen multilateral rules and disciplines [and] extend disciplines to new forms and dimensions of trade in recognition of the increasingly integrated nature of the global economy and the need to manage the globalising world market”\(^{93}\). It was these political positions, and South Africa’s perceived “very useful leadership” role in Africa, in the view of the WTO Director General \(^{94}\), as much as the highly praised ‘personal’ qualities and skills of Minister Alec Erwin \(^{95}\), that weighed heavily in his elevation as a conference ‘facilitator’.

Six sessions of one and a half hours each were to take place in quick succession on the same day, although there was no detailed schedule then or later. If they were fortunate enough to hear about the relevant session in time, each delegation approaching the facilitator was to be allowed three minutes to submit their views. Given undefined powers in their \textit{modus operandi}, each facilitator was free to decide whether to hold open consultations, or in conjunction with private more informal bilaterals, or to hold only closed bilateral exchanges. Without public observation and/or full disclosure of all the depositions made, it was entirely up to these hand-picked Friends of the Chair to make their own evaluations of the implications and weight of the different submissions, engage with the Members to encourage accommodations, identify ‘convergences’ of opinion and produce a final ‘consensus’ report. Some of these facilitators may have been more conscientious, impartial and rigorous in their methodology than others, but they all started out with a pre-disposition towards the highly biased texts already drawn up by the WTO in Geneva. They were, in fact, ‘friends’ of the WTO. Thus, although seemingly more accessible than the notorious exclusionary ‘Green Room’ processes during the 3rd Ministerial Conference in Seattle, these friends of the WTO were soon being described as ‘Green Men’ by NGO observers in Doha.

Being an “accomplished negotiator”\(^{96}\) and coming from a political culture emphasising transparency and wide-ranging consultation, Minister Erwin appeared to be one of the more open and persuasive of the facilitators in his style of work, and did not commit the type of abuses of his privileged and powerful position as did some of the other facilitators. But various African delegations reported in the corridors \(^{97}\) that, although the SA Minister did listen attentively, and was apparently trying to accommodate the observations presented by the developing countries, he also ‘engaged’ energetically with them, in his formal consultation sessions and informally elsewhere, and they were well aware that he was not operating in a vacuum and could not be

\(^{93}\) DTI Report on Doha, see footnote 59
\(^{94}\) WTO DG Mike Moore “South Africa has been punching above its weight in the WTO largely due to the reputation and energy of Alec Erwin [and his] very useful African leadership”, reported in Business Day, Johannesburg, 12/02/2002
\(^{95}\) Business Day, Johannesburg, “Erwin’s Skills Essential in WTO Talks”, headline on 7/11/01.
\(^{96}\) ibid
\(^{97}\) Personal observations to NGO observers present.
neutral. They were correct. For South Africa, the draft text was “largely in line with our positions [and] our overall approach was to defend the overall balance in the draft text [although] there were several key trade-offs that were required to secure final consensus” 98.

It is the motivations, substance and nature of these ‘trade-offs’ recommended by South Africa that is of most significance. Before, during and after the Doha meeting, the South African Minister and the other South African negotiators repeatedly posed the threat that, unless African and other developing countries accommodated to the demands of the powerful countries, Doha would fail, the WTO would be weakened, and uncontrolled big power politics would take over in future 99. In fact, it was precisely the imposition of big power political pressures and procedural maneuvers that prevailed in Doha, that undermined the unity of the developing country alliances and the effectiveness of cooperation, and that secured an eventual outcome of the Doha meeting highly favourable to the interests of the major powers.

Procedural maneuvers and political pressures to undermine and divide the opposition

Whatever South Africa’s own self-defined intentions and interpretations, from the point of view of the major powers and the WTO Secretariat supporting them, the six facilitators’ consultations were largely a political device (or public relations exercise) to defuse developing country dissatisfaction, provide a sense of participation and the hope of possibly influencing the whole process through the ‘facilitators’. This device also served to deflect the attention and the limited human resources of the majority of developing countries while the real business of the conference went on, as always, in secluded meetings elsewhere. It was there that the real exchanges and changes of position by developing countries were being achieved through other tactical maneuvers and manipulations.

Many developing countries were also diverted into giving much time and effort to dealing with what was largely a ‘straw man’ erected over the previous months. Ostensibly in response to the (legitimate) concerns of African and other developing countries, a major focus was given to ‘clarifying’ the relationship between intellectual property rights of patent holders, enshrined in TRIPS, and the public health concerns of governments. Although their public health policy rights were (re)confirmed and hailed as a great victory for Africa and the rest of the developing world, this was in essence a defensive political exercise and did not actually alter the terms of TRIPS or add legally to their rights. In fact, it provided an extremely limited opening because, under other WTO terms, countries producing generic medicinal drugs will by 2005 be constrained from exporting them even to countries that have the ‘right’ to import them. Furthermore, these discussions on TRIPS at the Doha meeting ignored the equally fundamental questions of the private ‘patenting’ of life forms for commercial gain, business appropriation of world biodiversity resources and community knowledge through bio-piracy, and the increasing corporate control over human science and technology supported by TRIPS. In the meantime, also, the majors were forging ahead with their own agenda. This included utilising the ostensible ‘gains’ made by the developing countries100, and the purportedly ‘reasonable’ responses of the developed countries in the TRIPS/public health debate, as a bargaining lever over the developing countries to be equally ‘accommodating’ on the major issues of real concern to the more developed countries and their corporations.

98 DTI official report on Doha, see footnote 59 above
100 Which the official South African DTI report on Doha depicted as “giving confidence in the process to many developing countries”, see footnote 59 above.
Although such tactics were eroding the resolve of some of the weaker countries, the first four days of the Doha Ministerial were characterised by the sustained official positions of the majority of developing countries and, very notably, the united stand and mutual support between the Africa Group, the LDC group and the large ACP (African Caribbean and Pacific) grouping. As late as the 13th November, the last official day of the Doha ministerial, faced with the highly unsatisfactory draft declaration produced that morning, the ACP and LDCs issued a joint statement in response, reiterating that they were not prepared to negotiate on new issues in the WTO. There was, however, a vulnerable ‘Achilles Heal’ in the combined resistance of these countries, a susceptibility to manipulation that the EU had identified well beforehand, and deliberately inserted into the Doha processes as a very effective bargaining device. This was the dependence of the ACP countries on their ‘partnership’ relations with the EU, based largely on financial and technical assistance, their heavy trade orientation towards Europe and their desire for ‘improved market access’ into the EU market. Needing a ‘waiver’ in the WTO [a special temporary exemption from the established global terms] in order to permit the renewal of these old ‘preferential’ Lome Convention relations into the proposed new EU-ACP Cotonou Agreement, the ACP countries were warned by the EU negotiators in Doha that such an accommodation of their needs would only be possible if they, in turn, showed themselves to be more ‘flexible’ in the context of broader Doha negotiations. The waiver, warned the EU negotiators, would only be granted within the ‘package’ of agreements demanded by the Quad. This strategy seriously undermined the earlier resistance of what was the largest developing country grouping in the WTO.

In addition to these broader multilateral strategies, there were also a multiplicity of bilateral encounters and manipulations, pressures and persuasions taking overt and covert forms, through up-front and back-stage maneuvers by the more powerful countries. This reportedly included “cleverly orchestrated misinformation campaigns that managed to create many suspicions among various groupings of countries”\(^{101}\) Another tactic referred to by one of Jamaica’s official delegates was how his government had come under heavy pressures to fall into line and “were made to feel that we are holding up the rescue of the global economy if we don’t agree to a new round here”\(^{102}\) As one Member of the European Parliament, present as an observer in Doha, reported “(i)mense pressure was exerted on the poorer countries by the powerful trading nations, who threatened to withdraw aid and debt relief, among other things, in order to get their way”\(^{103}\). The international civil society organisations’ declaration on Doha later summed up the process as “a combination of carrots and sticks and the misuse of economic and political powers by developed countries”\(^{104}\). Even the Financial Times of London \(^{105}\) observed that the US and the EU used economic aid promises and the prospect of improved trade access to their markets as “effective bargaining chips”, but “the intense efforts of the US and the EU to win developing country support” through such promises were explicitly conditional upon developing nations “signing up to a round”. Similarly, these two major players in the WTO “stressed their readiness to be flexible in the search for compromise but insisted that agreement would depend on other countries moving closer to their respective positions….. poorer nations have to be ready to compromise”\(^{106}\).

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101 Chakravarti Ragavan, highly experienced journalist present in Doha, ‘An Everything but Development Work Programme from Doha’, p 21, Third World Resurgence #135-36, Penang, Malaysia, January 2002
103 Caroline Lucas MEP, ibid
104 Civil Society Organisations’ ‘Everything but Development’ Declaration on Doha, Brussels, 9/12/2001
The promise of technical aid and ‘capacity building’ to cope better with WTO processes was another device used to persuade the majority African, Caribbean, Pacific and other Least Developed Countries to accept a broad new round of negotiations - which they had long been arguing would place insupportable pressures on their limited human and institutional capacities. South Africa proudly considers such assistance to be one of the major achievements through its own “pivotal role in ensuring consensus by predicating its support for the text [on] a strong commitment to the provision of technical cooperation during and after negotiations”\textsuperscript{107} However, as has often been pointed out by seasoned observers and analysts of the tricks-of-the-trade in the WTO, such offers are a standard inducement and misleading reassurance to Africans to get them to accept proposals contrary to their own judgments. In this way “African countries have lost many opportunities to negotiate better trade-offs through premature acceptance of offers of technical assistance [whereas] such assistance should only be accepted after substantive matters have been satisfactorily resolved”\textsuperscript{108}. In Doha, such ‘capacity building’ offers were, once again, used to brush aside the criticisms of developing countries, ignoring the fact that many countries pointed out that they had objections in principle to the nature and implications of the new issues. Their problem was not merely one of lack of capacity to understand or negotiate the issues.

With the Doha Ministerial still at an impasse by the end of the final day, and determined to ‘avoid another Seattle’, the meeting was extended into an all night session through to the morning of the 14\textsuperscript{th} November. With far fewer personnel than the huge delegations of the major powers, those few developing countries that were invited to participate in this marathon session\textsuperscript{109} felt that they were being subjected to a process of “wearing us down with fatigue”\textsuperscript{110}. This all-night ‘pressure cooker’ session was the ultimate instrument that produced the final draft on the morning of 14\textsuperscript{th} November. According to one analyst, this final text was “even more biased than that of the previous day”\textsuperscript{111}. But, meeting with the ACP, African and LDC countries on that last day, the SA Minister of Trade - playing his self-appointed ‘leadership’ role and parading his ‘insider knowledge’ and ‘tactical wisdom’ - advised them that they had no choice but to accept the text, which was ‘the best possible outcome for them in the circumstances’. According to participants and eye-witnesses, there were a number of angry responses to the South African Minister, some even asking rhetorically who he represented and whose interests he was serving. Before the meeting had been able to fully discuss their joint response, the ACP members were called away by the EU to attend a special report-back meeting on the Cotonou waiver, and the joint meeting dissolved in disarray. This was the final maneuver that dissipated the resistance of a major grouping of developing countries that many had hoped would repeat in Doha their role in Seattle. This was not to be. But all the pressures and persuasions, manipulations and maneuvers only managed to secure what one European MEP characterised as “a resentful acquiescence”\textsuperscript{112}; and this is, indeed, now indicated in the ongoing resistant interventions by the Africa Group and other developing countries in the post-Doha processes in Geneva.

\textsuperscript{107} DTI official post-Doha report, see footnote 59 above
\textsuperscript{109} Which, from Africa, included Nigeria as spokesperson for the Africa Group, Tanzania for the LDCs and South Africa in its own right.
\textsuperscript{110} C.R Reddy, Deputy Editor of The Hindu, reporting from Doha, ‘Shenanigans at Presidential Suite Number One’ South-North Development Monitor, SUNS #5012, Geneva, November 2001.
\textsuperscript{111} Martin Khor , page 14; see footnote 83 above.
\textsuperscript{112} Caroline Lucas MEP, see footnote 102 above.
Back in South Africa, however, the outcome of Doha was presented as a great victory for Africa and, according to Minister Erwin, an “important break-through” and a “fantastic achievement”\textsuperscript{113}. Highly elated, but constrained from proclaiming his personal triumph and, equally importantly, determined not to reveal the real role that SA had played in pushing Africa to accept the Doha outcome, the SA Minister ‘modestly’ - but presumptuously - presented South Africa’s victory as being that of the whole of Africa. Thus he declared himself to be “very excited about the role Africa played. We were better organised, we were active and they [the developed countries] had to make choices”\textsuperscript{114}. This propaganda image of ‘we in Africa’ stands in clear contrast to the realities of South Africa’s many differences with the rest of Africa throughout 2000 and 2001. It ignores the resistant positions taken by Africa, with and without South Africa, before and during Doha. And it covers up South Africa’s real role in contributing to the weakening not the strengthening of Africa in Doha. In fact, this glowing interpretation completely ignores the methods that were used in Doha in order to produce the ‘fantastic’ outcome. This silence can only be construed as official South African complicity with the unprincipled maneuvers and outrageous manipulations that characterised the whole process.

But South Africa’s claims - unquestioningly projected in SA newspapers as “Africa’s negotiating success at the WTO talks”\textsuperscript{115} - have to be evaluated also in terms of the substance and the implications for Africa of the so-called Doha Developmental Agenda proudly hailed by the WTO Secretariat and Northern governments …… and South Africa.

**The substance and implications of the ‘Doha Developmental Agenda’**

The official assessment of the 4\textsuperscript{th} WTO Ministerial Conference produced by South Africa’s Department of Trade \textsuperscript{116} presents the officially declared ‘Doha Developmental Agenda’ as resting on four major sets of “commitments” by the governments of the most developed industrialised economies. These commitments, in South Africa’s own interpretation, are:

- to provide enhanced market access for developing country exporters, reduce domestic support to their own producers and phase out export subsidies; and address their tariff peaks and escalations in the context of broad industrial tariff negotiations;
- to address the concerns of developing countries about existing WTO agreements, with a few of these implementation issues already located within the Doha terms and others “to be addressed in post-Doha work programmes and negotiations”;
- to provide technical cooperation to those countries needing it, particularly to “ensure that their capacities are commensurate with the new obligations”; and operationalise special and differential terms (SDTs) in favour of developing countries;
- to approach the new issues with “a greater understanding of the constraints that developing countries and Africa in particular face”; with definitive decisions on the new issues in the Fifth WTO Ministerial “predicated upon a focused educative process” in the intervening period “substantively identifying the interests of developing countries”.

These reported undertakings by the developed countries to support the development needs of the developing countries could be read to be quite positive. Whether such provisions actually constitute a real ‘development agenda’ can certainly be challenged (see pages 45-46 below). More immediately, however, even these so-called ‘commitments’ by the governments of the

\textsuperscript{113} Business Report headline ‘Africa Turns the Table at WTO Talks’, Johannesburg, 16/11/2001

\textsuperscript{114} ibid

\textsuperscript{115} ibid

\textsuperscript{116} DTI report on Doha, see footnote 59 above; all the references to the DTI in this section are based on this report, unless otherwise stated.
richest and most powerful highly industrialised countries are far less real or secure than South Africa’s DTI would like to believe, or have others believe.

‘Improved market access’ promised by the EU had already been made in a different context prior to Doha through the EU’s much publicised Everything But Arms (EBA) offer, although this was only to be extended to Least Developed not all developing countries. The EBA has already been exposed as being limited in scope, coverage and duration, and contains various clauses and conditionalities that still protect EU producers against key LDC exports. Overall, the EU maintains a safeguard clause that will be activated if there are ‘import surges’ of specific products from least developed countries that ‘threaten’ EU producers. The US is even more blatant in its continued protection of its domestic industries, particularly in textiles, clothing and leather goods, and most notoriously steel production. Thus, there was no commitment in Doha to an early phase out of quotas in these areas; with only non-binding language in the Doha agreement for the developed countries to be “sympathetic” to the needs of the developing countries. The commitment by the richer countries to allow quota free and tariff free access for exports from developing countries remains only a promise and “an aspiration”\(^\text{117}\), rather than a real achievement in Doha that the SA DTI claims.

There is also a clear lack of serious commitment by the EU to deal with reductions in trade distorting domestic production supports and export subsidies for their own producers. In fact, both the EU and the US have, in the years since the Uruguay Round, been energetically increasing their direct and indirect supports to their agricultural producers and exporters - to the tune of hundreds of billions of dollars annually. The European negotiators, on their own behalf and implicitly on behalf of the US and Japan, held out on this issue until the last hour in Doha, and would then only agree to the aim of “reductions, with a view to phasing out all forms of export subsidies” with the addition of the caveat that this aim is “without prejudging the outcome of negotiations”. Similarly, with regard to negotiations on fisheries subsidies (that have caused huge problems for fishing communities and small fisheries in West Africa and other regions), the EU insisted on the caveat that such negotiations will only “aim to clarify and improve WTO disciplines on fisheries subsidies”, with no commitment to stop their use by the EU to enable their fishing fleets to continue depleting the fishery resources of developing countries and the whole world.

Such clauses skillfully hedge the apparent commitment by the EU to negotiate on these contentious issues; so much so that even the WTO Director General during a visit to South Africa after Doha was compelled to express doubts whether the phasing out of EU subsidies “would happen over five years, fifteen years, or five hundred years”\(^\text{118}\). Yet South Africa’s public assessment of Doha actually presents the qualified and very conditional ‘concession’ by the EU as a significant gain in market access for the agricultural exporting countries in the WTO known as the Cairns Group (of which SA is a member) along with other developing countries. And Pretoria also presents this very doubtful ‘gain’ as the justification for other countries to “accommodate the European Commission’s broad agenda on the Singapore [new] issues and the environment”.

The USA, for its part, was highly resistant throughout Doha to negotiations on the review and tightening up of WTO anti-dumping rules - of which it is the main user and worst abuser. This was one of the key issues on which South Africa was particularly active - as one of the targets of


\(^{118}\) Business Day, Johannesburg, 12/02/2002
aggressive US anti-dumping (protectionist) threats, and as the ‘facilitator’ of the Doha ‘consensus-building’ group on WTO Rules. Minister Erwin was warmly praised in the SA press for his role on the anti-dumping issue in Doha. Like the EU, however, the US contrived to insert a caveat into the Doha deal which states that any future negotiations on the Anti-Dumping Agreement and the related ASCM (Agreement on Subsidies and Countervailing Measures) would follow a “phased approach” and, most significantly, would be premised on “preserving the basic concepts, principles and effectiveness of these Agreements and their instruments and objectives”. This pre-emptive clause makes the United States’ apparent acceptance of such negotiations virtually meaningless. Yet, the SA DTI does not draw out the obvious conclusions but simply presents the formulation as one of the necessary ‘trade-offs’ to obtain US support on other issues ….. although these, in turn, are not actually identified.

These tactical devices by the most powerful countries are highly questionable but unquestioned by the DTI. What is more, the DTI’s overall assessment of Doha is that such ‘commitments’ by the EU and US actually constitute acceptable trade-offs that “strike a balance” between the interests of the North and the South. The SA Minister performs a typically skillful sleight of hand in presenting the minimal developed country gestures within highly unsatisfactory compromises imposed on the developing countries as if they are ‘gains’ to the developing countries; and, conversely, the SA Minister presents the skillful bargaining formulations and tactical evasions by the powerful countries as if they are ‘concessions’. Furthermore, as with all the supposedly necessary trade-offs in Doha, there is a marked imbalance between the apparent, and only temporary, concessions by the powerful countries, on the one hand, and the real accommodations to their demands and needs by the developing world on the other hand. The respective gains and concessions by the developed and developing countries are of a very different character and order of magnitude. This is the real substance of the ‘trade-offs’ in Doha.

The EU achieved a major gain in inserting the ‘Singapore Issues’ and other new issues more securely into the post-Doha programme towards possible forthcoming/future negotiations, even though there had clearly not been the prior consensus required for this to even be put on the Doha agenda in the first place. South Africa itself is, of course, not opposed to these new issues as such, but adopted the ‘realistic’ posture in Africa, and to other developing countries, that accepting new issues was another necessary trade-off for other supposed gains elsewhere. In contrast to its explicit identification and analysis of most other key players and trade-offs in other spheres, the SA DTI on the Singapore Issues refers evasively to “the proponents” (actually including South Africa) having made some significant immediate accommodations to the needs and reservations of developing countries. Thus the DTI highlights that ‘the proponents’ “had to agree to delay a final decision to negotiate disciplines in these areas until the 5th MC”, and claims that South Africa played “a pivotal role” in securing this delay. In the interim, WTO Members would “conductor more focused study on the key elements of possible multilateral frameworks of disciplines in these areas…. (a)ccompanied by a more elaborated technical cooperation programme for developing countries”.

Such capacity building offers “reduce and trivialise substantial development concerns as being merely matters of technical assistance”. Furthermore, as has already been pointed out, technical cooperation does not constitute a real concession when it is employed to outflank fundamental objections on the substance and implications of such new issues. Whether such apparently compensatory assistance actually advances the real interests of the recipients depends on the content and the conveyors of the ‘technical advice’. The experience of much technical

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120 International Civil Society declaration on Doha, Brussels, 9/12/2001
assistance from the WTO and the ITC (International Trade Center) in Africa has simply consisted of expositions of the content of WTO rules, and instructions to developing countries on how to implement them. The bias in such technical assistance is already evident, for example, in the report that fully 50% of the US$ 17.5 million allocated to UNCTAD to provide such technical assistance is to be focused on investment as a possible new agreement in the WTO. Taken together, investment, competition policy and trade facilitation will take up to 60% of the resources, pre-empting appropriate commitment to dealing with the vast number and array of implementation issues prioritised by developing countries, or the working groups on the key trade-related concerns of developing countries as identified by the Like Minded Group.

Similarly, the focus and aims of the proposed study processes in the post-Doha work programme, much commended by South Africa, have subtly altered - while apparently taking on board - the long-standing demands by African, LDC and other developing countries for multilateral and multi-institutional Working Groups to continue studying the alleged ‘trade connections’ of such issues and the full development implications in their economies. The aims of the revised ‘study process’ out of Doha are now premised on the need to identify the key elements of the - diplomatically defined - “possible multilateral frameworks of new disciplines in these areas” … rather than dealing with the very idea of such supposedly ‘trade-related’ issues being brought into the WTO at all. This is a subtle but significant shift that South Africa’s reassuring report is designed to disguise.

The other major gain for the EU in Doha lay in getting the controversial new issue of the environment onto the negotiating agenda. The DTI suggests that, in exchange for this, the EU gave the above (very doubtful) concessions in the sphere of agriculture and the other new issues. With most developing countries extremely nervous about the inclusion in the WTO of so-called ‘environmental standards’ as a possible further non-tariff barrier, the DTI presents as a gain to the developing countries that the EU had to accept that negotiations on the environment would be limited to only “clarifying the relationship” between the WTO and the many existing Multilateral Environment Agreements (MEAs). The added caveat that such negotiations “shall not prejudice the WTO rights of any Member not party to the MEA in question” ostensibly protects developing countries that have not signed up to specific MEAs. What this clause could actually do, however, is to elevate the WTO over important environmental agreements, as well as providing yet another let-out clause for the US on agreements they have not signed, such as the Kyoto Treaty on Climate Change and the Biosafety Protocol.

The DTI chooses to ignore these significant implications and goes on to present developing countries with another apparent gain in the sphere of environmental negotiations. This is on “the reduction or, as appropriate, the elimination of tariff and non-tariff barriers to environmental goods and services”. This is a highly significant expansion of the coverage of WTO-imposed liberalisation. The DTI does not note that the reduction of so-called ‘trade barriers’ such as governmental regulatory controls could facilitate the movement into developing countries of environmentally and socially damaging ‘services’ such as nuclear waste and other toxic processing. Nor does the DTI recognise the future danger for developing countries of further corporate take over through the accelerated opening up of environment-linked services such as the management and supply of water, waste collection and disposal, sanitation, public health, and other essential public environmental services, as well as natural resources management, and even agrarian and land reform programmes and others.

121 Chandrakant Patel, former economist in UNCTAD, reporting in the Bulletin of Southern and East African Trade Information and Negotiations Initiative (SEATINI), Vol 5.06, Harare, March 2002
With respect to the already mandated negotiations on Services in general, there is a complete silence in the Doha agreement on the proposals from developing countries for an assessment to precede any negotiations in this sphere – as specified, in fact, in the original General Agreement on Trade in Services (GATS). Instead, a very compressed timetable for the GATS negotiations was set which will not allow developing countries to undertake the necessary research and consultation before having to offer up service sectors for liberalisation. Internal studies within the European Commission, recently leaked to the public, reveal that the EU is pushing a very ambitious strategy of pressurising other countries to open up a vast array of services to the operations of European service corporations. And, once or if such commitments are made, they could effectively be irreversible under the disciplines of the WTO.

There were other defeats or retreats by developing countries in the Doha process that far outweigh their supposed gains and the transitional concessions made by the most powerful countries. A major defeat on the implementation issues had been anticipated by many observers well before Doha. This was confirmed in the separation out of the more than one hundred implementation issues identified by developing countries: into a few which could be dealt with quite rapidly in Doha (which, incidentally, were also mainly those that South Africa chose to prioritise - see page 18 above); while many more, which supposedly need further work, are allocated to a future work agenda. South Africa depicts this basically as a necessary practical decision although, also, as yet another necessary trade-off by developing countries to secure other gains. Other observers see the developing countries having been trapped by some illusory immediate gains into accepting a postponement of their own fundamental and often pressing concerns. Although there is formal provision for a work programme to deal with this vast and complex range of issues during 2002, they will very probably be relegated in practice to the sidelines in the context of the apparently agreed, extremely demanding negotiations agenda.

Developing countries were also out-maneuvered by those countries pushing for the introduction of further Industrial Tariff Liberalisation (ITL). South Africa itself supported this as “a core component of our strategic objective”, supposedly to change North-South economic roles and relations, and also anticipates that the outstanding tariff peaks and tariff escalations against the exports of developing countries will be dealt with in this context. Although South Africa had been made well aware, over the previous years, of African objections to another round of WTO negotiations for such a further expansion of trade liberalisation, the SA Minister of Trade welcomed the ITL as “a very important breakthrough”. His public justification is, once again, that such negotiations will be accompanied by technical cooperation to Africa and “studies to promote their effective participation”. This is another subtle alteration and redirection of what Africa had been proposing. South Africa conveniently forgets - not surprisingly, since Minister Erwin had energetically opposed this in the OAU Ministerial meeting in Abuja in September 2001 - the demand by African (like other developing) countries to be exempted from such further tariff liberalisations until full impact studies have been carried out in their countries on the de-industrialisation and unemployment effects of past and existing tariff reductions imposed under structural adjustment programmes and the Uruguay Round Agreements.

In the light of the illusory gains located within real retreats and defeats for developing countries, and measured against the very qualified and limited concessions made by the strongest countries, it becomes ever more questionable for Minister Erwin to be making self-congratulatory claims

122 see footnote 87 above
124 Business Report, Johannesburg, 16/11/2001
that the outcome of Doha was a victory for Africa. It is true that African, LDC and other developing countries were much better informed and prepared, and did put up a considerable and sustained resistance in Doha, although in a different way than in Seattle. On neither of these occasions did this resistance include South Africa. But, notwithstanding the efforts made by Africa in Doha, it is misleading propaganda to proclaim, as the SA media does, that “Africa turns the table at WTO talks”\(^{125}\). It is also a total inversion of reality to state that “much as the talks have been hailed as a boon for the developing world, the poor are not the only winners”\(^{126}\)…. As if they are winners at all!

Similarly, on the basis of these questionable conclusions and the predictable negative outcomes, it is fallacious to claim that what Doha has produced constitutes “a development agenda”. The Preamble of the Doha Declaration sets out a framework including uncritical endorsement of the importance of trade liberalisation without due acknowledgment of the serious difficulties that the Uruguay Round Agreements have created for developing countries. This makes a mockery of the claims to be responding to their profound development problems. Thus developing countries, contrasting their own experiences against the claims of the dominant neo-liberal paradigm, and comparing the rhetoric with the real outcome of Doha, are pushed to the conclusion, in the words of the representative of the Dominican Republic, that “all this talk of development is a completely empty exercise”\(^{127}\).

The inclusion in the preamble of some fine sounding language on development and such-like, may have some moral influence and could possibly be used politically, but these are major suppositions. More significantly, such phrases carry no legal weight. The binding terms and real dangers to the development needs of African and other developing countries reside in the main text on current and proposed negotiations. The dangers are already evident in the established, and now-to-be-extended, WTO agreements, above all GATS, and in the reviews of existing UR agreements in order to tighten them up. But other new dangers reside in the possibility of negotiations towards new agreements being started in new areas as from the next WTO ministerial in 2003.

Most notorious of all of these new issues is the proposed multilateral agreement on investment. South Africa supports the introduction of such an agreement into the WTO to make the terms for foreign investment and investors more universally defined “in recognition of the increasingly integrated nature of the global economy”\(^{128}\). Critics argue, with reason, that this is aimed to promote the rights of foreign investors in developing countries – and in Africa that means also South African investors - rather than to regulate international investment. To the contrary, the purported ‘trade-related’ character of the proposed agreement is actually designed to use trade as an instrument of control through which to make developing countries, desperate for foreign investment, submit to the unfettered ‘rights’ demanded by foreign investors. This is already evident with other URAs, such as TRIMs and TRIPS.

Similarly, the attempted inclusion of Government Procurement in a binding, ‘non-discriminatory’ WTO agreement is simply designed to open up to global corporations this huge and highly lucrative area for the supply of goods and services to and by all governmental authorities at all levels. Government tenders for public works and public services, a crucial development instrument, and obligation, of governmental agencies in developing countries, are being targeted...
for global corporate competition and inexorable private take over. As with investment, this new issue is being linked to trade by global corporations, with the argument that government policy options in this sphere are ‘discriminatory’ and constitute a ‘trade distorting’ interference in the rights of corporate service providers and traders. The governments of the highly industrialised economies claim, tactically, that their only concern is to ensure ‘transparency’ in the award of public tenders in order to counter ‘corruption’ in developing countries. But their concern, once again, is to use (real or perceived) corruption as an instrument for their own self-serving and selective political and policy interference in developing countries in the name of ‘good governance’. ‘Transparency’ is simply the thin end of the wedge to advance their own agenda and the business aims of their global corporations. International civil society organisations specialising on development and the WTO analysed the outcome of Doha and warned that such an extension of the WTO “would close off many development policies, and result in re-colonisation through unprecedented powers to global corporations at the expense of sovereignty and peoples’ rights and needs”.

Despite the fact that the outcome of Doha and future prospects out of the WTO work programme hold out the real danger that such new ‘trade-related’ issues may yet find their way onto the negotiating table, in contradiction to the prolonged opposition of developing countries, the WTO Director General proclaimed on a visit to South Africa that “the demands of developing countries are being placed at the center of discussions in the WTO within the balanced result and development agenda”. He then concludes, tellingly, that in Doha “(t)here was an agreement that development is trade and trade is development”. This breathtakingly superficial view from a top international bureaucrat may be welcome in the SA business press and find resonance in the higher ranks of the SA government, but such assumptions simply ignore the weight of contrary empirical evidence and experience in developing countries.

9. POST-Doha Perspectives and South Africa’s Role

Although the official designation of the Doha agreement is that it is a development agenda, the more enthusiastic and less subtle media commentators, with a lack of appreciation of the tactical niceties, rushed in to proclaim that the “WTO Agrees to New Round of Talks” and the “New Round Launched” will be completed at the latest by January 2005. The SA DTI, knowing the sensitivities, suspicions and continued opposition to a new round amongst developing countries, is more diplomatic in stressing that what emerged from Doha was agreement on a ‘work programme’ for the period up to 5th Ministerial Conference (5MC) in 2003, and that there are “various interpretations and emphases” on detail that still need to be worked upon.

The more challenging differences of interpretation, which the SA government does not take up, are focused on two possibilities in relation to the 5th Ministerial itself, particularly with respect to

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131 And ignore the growing range of authoritative theoretical and empirical analyses questioning such grossly simplistic equations, such as S.M. Shafaeddin’s studies for UNCTAD; Harvard University Professor Dani Rodrik’s studies for the UNDP and others; Professor Diane Elson, Nulufer Cagatay and Caren Grown studies for the UNDP and others; Joseph Stiglitz, formerly Chief Economist of the World Bank; and a range of others.
132 Business Day, Johannesburg, 15/11/2001
133 Business Day, Jhb, 28/02/2002
134 DTI official report on Doha, footnote 59.
the controversial new issues. The first interpretation is that "Ministers appear to have already agreed to negotiate the new issues after the 5MC, and a consensus is needed only on the modalities", but a second view is based on the conference chairman’s formal statement, in response to India’s demand for clarification that “a consensus is needed on the very question of whether to begin negotiations” 135. However, even India’s insistence - in order to pre-empt another Doha - that the agenda and decisions of the 5th Ministerial have to be based upon a full and explicit consensus, was subject to mis-representations in the SA media that India was arguing only for its own right to opt out of the negotiations on new issues 136.

These interpretations could be seen to reflect the lack of understanding in the SA press of the legal and political subtleties involved, but they also fit in with a broader strategy to influence the direction of the inevitable struggles in the coming years within and about the WTO; and, in South Africa itself, about South Africa’s role therein. The floods of admiration in the SA press for the South African Minister of Trade after Doha reached their highest point of enthusiasm in a Business Day Editorial entitled “Erwin’s Victory” 137. It claims (with less caution than government spokespersons use) that Minister Erwin “managed to corral the diverse developing nations behind the launch of the new WTO Doha Round of trade negotiations [and that] this veteran of both the trades union movement and of the ANC will be needed again and again to represent and rally the developing world when tough decisions need to be taken and compromises struck”. On this basis, says this organ of South African business,

“America, Canada, the EU and Japan need SA as a sounding board and as a point of contact when dealing with the increasingly important developing world”. Apart from the delusions of grandeur that “we now matter”, and even that “SA is now part of the Big Five of global trade”, what is important about this frank and ambitious vision is that it endorses the SA Minister’s own aspiration to ‘be a bridge between the developed and the developing world’ and a ‘major player’ on the world stage. However, from the Business Day’s candid observations, and on the basis of South Africa’s observable role within and in relation to the WTO, the conclusion indicated is that South Africa’s role is not so much as a bridge between the developed and developing countries but rather as a bridge for the transmission of influences from the developed countries for the promotion of their economic interests and global aims in the developing world.

The outstanding question for governmental and non-governmental analysts and activists Africa and other developing countries is how - or whether - South Africa is going to play this role in the coming difficult processes. With regard to Africa, Pretoria has recourse to quantitatively greater material and human resources. Its dominance on the continent also derives from the preponderance of the South African economy in Africa, which stands at more than one third of the total combined GDP of the entire continent. South Africa also benefits from the eagerness of many African countries to receive South African investment, already evident in the increasing penetration of South African business throughout the continent. But South Africa’s position and role in the WTO also indicates deliberate political decisions by Pretoria to assume the kind of role on the African continent that will help it build for itself a larger economic and political platform in the world.

South Africa cannot presume to wield anything like the same weight with the rest of the developing world, especially now that China has joined the other Asian heavyweights. Informed economic journals abroad are not impressed with South Africa’s self-defined global role and

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135 Martin Khor, see footnote 89 above.
137 Business Day, Editorial, Johannesburg, 7/03/2002
barely mention SA in the WTO but rather Brazil and India. However, the WTO Director General, aware of the usefulness of South Africa’s cooperation in the WTO, paints a glowing propaganda picture of “India, Brazil and South Africa as nations in the forefront in defining the parameters of future programmes” 138. The particular usefulness of South Africa, according to the WTO DG, visiting this country soon after Doha to “build on the success”, is that “South Africa has played a vital role in helping to build the capacity of other African nations to fully participate in WTO discussions” 139. The further role of SA in ‘building the capacity’ of Africa is, in fact, another aspect of the motivation underlying these WTO public relations efforts, and the SA media’s political interventions. With considerable international financial resources being allocated to ‘educative processes’ in Africa, such propaganda about South Africa’s role is also preparing the ground for SA universities (such as the University of Cape Town) and other SA institutions to play a leading technical/legal role in the ‘capacity building’ of African trade officials. This will not only be financially lucrative but politically useful as South Africa is set up and sets itself up to play a ‘supportive’ role for the WTO in Africa and internationally. This African and international role being prepared for South Africa, and enthusiastically pursued in South Africa, presents all independent South African research institutes and progressive civil society generally with particular challenges.

10. CHALLENGES FOR SA POPULAR MOVEMENTS AND PROGRESSIVE NGOs ON SOUTH AFRICA’S INTERNATIONAL ROLE

As was anticipated - and as the South African government had been warned well in advance (see pages 18-19 above) - the ‘broad-based agenda’ that SA promoted before Doha now covers some nineteen areas and is even more onerous than the Uruguay Round which took eight years to complete. Yet it is anticipated that further major negotiations in the WTO will be concluded by January 2005. If this is what is decided at the 5th Ministerial in Mexico in September 2003, the three year period – starting from November 2001 and concluding at the end of 2004 - will not be sufficient for developing countries to carry out the necessary research and prepare themselves for all the issues; which they will have to do since the WTO’s system requires all Members to sign onto all agreements in a ‘single undertaking’.

Even South Africa’s human and institutional resources will be severely stretched to ensure what the DTI terms “timely interventions” in the extremely complex processes underway and ahead. In addition to planning and essential capacity building measures within the department and with other government departments, the DTI intends to set up a Doha Task Force to “define negotiating positions more precisely in consultation with relevant stakeholders” and “strengthen consultation and coordination with non-governmental stakeholders, particularly through NEDLAC” 140. If such consultations with South African civil society are to be more real than have taken place hitherto, and if South African mass organisations and progressive NGOs are to make an effective input and real impact on government positions - and in the national conference on the WTO that the government is planning - it essential that they familiarise themselves fully with the nature, the already evident effects, and the further implications of South Africa’s official positions.

The limited access to independent information and the constriction of independent engagements in highly significant international institutions and events by key civil society organisations in South Africa is a problem that has to be seriously addressed. On the one hand, this requires real

139 Business Day, Johannesburg, 12/02/2002 – report on WTO director Generals visit to South Africa
140 see foot note 59 above
openness, greater transparency and timely dissemination of information by government, and more inclusive and genuine engagements with popular civil society by government. On the other hand, this will only happen and be effective through the concerted independent efforts of people’s movements and progressive organisations in this country - and with other African and international organisations. This is essential in order to gather alternative information and a wide range of analyses, and to develop their capacities to be able to engage effectively and, when necessary, successfully challenge and actually change government positions and policies.

More fundamentally, however, in the light of the increasingly problematic and in fact highly questionable role that South Africa is playing in the WTO, and in other international organisations, serious analyses and discussions have to be undertaken within those popular organisations and NGOs in South Africa that accept being integrated into government delegations in vitally important international meetings. Popular organisations may have initially been convinced that they could in this way materially influence the government’s positions and the overall outcomes of such meetings. If that was so earlier, it must have reflected an inadequate knowledge, at that time, of the extremely contrived and undemocratic nature of these processes. Whatever may or may not be attempted ‘behind the scenes’ by non-governmental representatives within government delegations to try to influence the input by the key SA negotiators into the abstruse processes, there is extremely limited scope for real and effective alternative inputs by governments, as such, let alone the minority voices of non-governmental representatives within governmental teams.

Such civil society participation in government delegations also suggests an inadequate recognition of the extent to which the main strategic thrust of the South African governments’ positions have been determined by fundamental political decisions well in advance of specific meetings and well before the ‘consultation’ and integration of peoples organisations therein. Above all, for peoples organisations to agree to participate in government delegations under the official condition that they publicly support the official ‘national’ position can be seriously compromising to the international image and reputation of such peoples organisations. Furthermore, given the significant role of the South African government in promoting the expansion of the scope and powers of the WTO and further liberalisation policies internationally, there are clear contradictions between these global government policies and aims, on the one hand and, on the other hand, the criticisisms by trade unions and other peoples organisations of governments’ neo-liberal policies within South Africa.

It is also essential that all peoples organisations in South Africa are fully aware of the role that SA is playing in what is rapidly being turned into the central institution of a new system of global government, because of the extent to which the South African government is surrendering its own policy-making rights and space, and bargaining away the South African peoples’ democratic rights to determine this country’s internal economic, environmental, social and cultural policies. It is vitally in the interest of the South African people to know that, remote as the WTO may appear, and distant as global trade agreements may seem to their daily struggles and immediate concerns, these global neo-liberal forces and processes are increasingly setting the parameters [the limits or boundaries] for what governments may and may not do within their own countries. What is more, such externally imposed controls serving external interests are even utilised opportunistically by governments to justify their own policy choices and failings. The common argument, for example, by South African government officials that many of the terms within WTO agreements, such as TRIMs and the proposed investment agreement, ‘are anyway already integrated’ into South Africa’s trade and investment policies and programmes is simply further testimony on the extent to which the South African government has accepted in bilateral relations and even unilaterally internalised neo-liberal conditions.
Finally, in addition to defending their own democratic rights, interests and needs, South African popular organisations and progressive NGOs also have a responsibility to turn their government around from the role that it is playing in the WTO to the detriment of Africa and other developing countries, and in support of the WTO and neo-liberal policies everywhere. The South African government, in conjunction with powerful global players such as the EU, is continuing to try to extend South Africa’s own role in the WTO and the dominant role of the WTO, and more specifically the intended or pretended outcome of the latest WTO Ministerial. This was clearly evident in the March 2002 United Nations Summit on Financing for Development (FfD) in Monterey Mexico. Even the World Summit on Sustainable Development (WSSD) being hosted by South Africa, in Johannesburg in August-September this year, is being used to promote the centrality of the liberalised global trade system as the basis for sustainable development! According to the media propaganda, however, “South Africa’s aim is to use the World Summit 2002 to build support for achieving developing country objectives in the WTO”\(^{141}\). But what this means, in essence, is evident in wording within the WSSD preparatory texts which explicitly endorse the WTO and the so-called ‘Doha Development Declaration’. Similarly, the New Partnership for Africa’s Development (NePAD), itself based on the assumptions of the neo-liberal global system, is being inserted, together with the Doha agenda, as a central component of both the FfD and the WSSD.

In this context, and given the South African government’s very problematic international positions and role, South African peoples organisations and progressive NGOs have a real need and obligation to join with other African organisations in the growing international peoples alliances against the WTO. The expanding alliances of a vast array of developmental, social and environmental movements, trade unions and other labour organisations, women’s networks, professional and faith-based bodies, and community-based campaigns and community-service NGOs are still working, as they did in Seattle, for “No New Round and A Turn Around”. The movement is also widening and advancing, and now campaigning not only against the WTO but against the currently dominant neo-liberal global market agenda under the proactive international peoples declaration that “Our World is Not for Sale”!

**Some fundamental questions about South Africa’s international strategy and role**

In the light of the information and analysis in this paper, and on the basis of the extremely troubling indications and serious questions raised, the South African government has to be probed on its options and its positions, its aims and claims on the following crucial questions:

1. Is South Africa’s self-proclaimed ‘leadership role’ a reality amongst the developing countries in the WTO, even those which South Africa has targeted? OR are there, in fact, other countries, such as in the Like Minded Group, that are playing a real and proactive leadership role for the developing countries in the WTO, and why is South Africa not allied to them and working within to strengthen such developing country efforts?

2. Is South Africa part of, and contributing to the ‘operationalisation of the unity of the developing countries in order to change the balance of power in the current global system? OR is South Africa acting out its own self-determined role as ‘a bridge between the developed and developing world’, objectively serving the strategic interests of the developed rather than the developing world and functioning as an agent providing additional leverage for the majors to further divide the developing world and play countries off against each other?

\(^{141}\) ‘World Summit 2002’ in the Mail & Guardian, Johannesburg, 22-27/03/2002
3 Is South Africa’s strategic focus and its methods of operating in the WTO and in Africa conducive to advancing the aims and unity of the African continent, as South Africa constantly proclaims in other contexts, and above all within the African Renaissance initiative? OR are South Africa’s strategies in and in relation to the WTO following an internal logic or dynamic that is leading to South Africa playing on the economic dependence and political susceptibilities of many African governments and the divisions between them, and also exacerbating the resentment in Africa towards South Africa itself?

4 Is South Africa in its strategic approach to the global system contributing to a thorough-going interrogation of the dominant ‘trade’ paradigm and the purposes of the so-called ‘trade-related’ agreements within the systemic global role and functioning of the WTO as the key instrument of economic globalisation? OR is South Africa acting to legitimise and actively promote a thoroughly flawed institution through Pretoria’s own misconceptions and fears about challenging and changing the purportedly ‘rules-based’ WTO system; with consequently incorrect strategic decisions and tactical positions?

5 Is South Africa’s strategy in and in relation to the WTO in fact merely ill-conceived and based on an under-estimation of the potential strength and effectiveness of a united developing country resistance to the self-serving agenda of the most powerful industrialised countries and their allies in the WTO? OR is South Africa, driven by its own self-serving agenda and the promotion of South African economic interests, as perceived ‘national’ interests, using its purported leadership role in Africa to advance its own global political and economic agenda with the powerful developed countries and their corporations and financial investors?

6 Is South Africa positioning itself and engaging internationally to benefit from, and contribute to, a growing movement of governmental and non-governmental forces throughout the world to challenge the iniquities and dangers of neo-liberal globalisation, whose imbalanced character and negative effects South African government leaders often criticise? OR is the South African government in the WTO, in the IMF and the World Bank, in the UN and other global forums, and now through NePAD, accommodating to - and thus reinforcing - the currently dominant global system?