

# *Strategies and Tasks for the Korean Movement against WTO*

May, 2003

Korean People's Action against FTA & WTO (KoPA)

## ***1 Background: DDA Negotiations Prior to the Ministerial and the Strategies of the Korean Government***

### **(1) Doha Development Agenda and the 5th WTO Ministerial Meeting**

A new round of negotiations was launched to follow the Uruguay Rounds under the name of "Doha Development Agenda" during the 4th WTO Ministerial Meeting that took place in Qatar in 2001.

Through the Uruguay Rounds, the US was able to establish a system to protect much of its domestic market by promoting anti-dumping rules that regulate industrial goods such as cheap steel and automobiles, and also maintain its import quotas against textile imports, as well as consolidate its dominance over the agricultural market. With the establishment of the WTO, it was able to incorporate services into its targets for trade liberalisation - an area that was previously not included in the General Agreement on Tariffs and Trade (GATT). At the same time, through the TRIPs, the US gained monopolistic power over technological skill from which to develop its IT industry. Thus, we can summarise the intentions of the US in the WTO as follows: protecting the gains from the Uruguay Rounds and promoting further negotiations to expand the boundaries of agriculture and services liberalisation. In other words, on one side, the US seeks to protect its markets from the traditional industries of EU and Japan, as well as from the Third World countries that are more competitive in labour costs. At the same time, the US seeks to dismantle the barriers to services of the EU and Japan in such areas as finance and telecommunications in order to form the basis for further financial expansion and liberalisation. All of this must be seen in the context of global economic crisis and the onset of neoliberalism to tackle the falling rate of profit. The US needs to expand its economic power, using military force if necessary, to compensate for its loss.

The Doha Development Round was launched at the 4th Ministerial, which fully reflected the interests of US capital. The DDA negotiations, with the objective of launching a new trade regime in 2005, is expected to try to form consensus on thirteen issues and finish off the negotiations by the end of 2004. The thirteen issues are as follows:

- ü Agriculture Modalities
- ü Solution for TRIPs and Health
- ü Recommendations for decision on Special and Differential Treatment
- ü Resolution of implementation issues related to textiles and other areas, and extension of Geographical Indications to other products than Wines and Spirits
- ü Non-Agriculture Market Access Modalities
- ü Singapore Issues (Investment, Competition, Government Procurement and Trade Facilitation)
- ü Decision on the desirability of negotiations regarding the environment

- ü Improvement and clarification of the Dispute Settlement Mechanism
- ü TRIPs council decision on scope and modalities of non-violation complaints
- ü Conclusion of TRIPs negotiations on wines and spirits
- ü Report from the General Council on regular work program including recommendations from small economies, progress in trade, debt and finance, progress in working group on technology transfer, e-commerce etc.
- ü Report from the Director General on technical assistance, capacity building, issues affecting LDCs and accession of LDCs
- ü Technical Assistance and capacity building in the field of trade and environment<sup>1)</sup>

The name, "Doha Development Round" was given so as to reflect the interests of developing countries, however, it is evident that the WTO and the DDA has no intention of reflecting the interests of developing countries. Although some "promises" were made to the developing countries during the DDA negotiations, it is likely that they will not take form, much to the anger of developing countries.

However, even those areas where the US and Europe are keen to promote are in difficulties. In agriculture, exporting countries (Cairns Group led by the US and Australia) and importing countries (NTC Group led by EU, Japan, Korea etc) are in conflict with each other and could not come to an agreement on the modalities by the deadline of 31st March. The services agreement is not in any better situation, with only 18 countries -Korea, US, Japan, Canada etc- having submitted their offers. Negotiation on rules, such as anti-dumping and subsidies is also in difficulty as a result of the breakdown of negotiation in agriculture, while TRIPs and the issue of public health are also failing to find consensus.

Recently, in attempts to tackle these crises in negotiations, the US participated in the OECD Ministerial Meeting that was held in April, and called for France and Germany to revise its Common Agricultural Policy(CAP). The US is also expected to deliberate over the issue of weak US dollar in relation to the global economic crisis, at the same time, trying to come up with solutions to resolve the disagreements within the WTO during the G7 and G8 meetings that take place from May to June. Thus, the results from the G8 meeting and the mini-ministerial meetings of June and July will be important in determining in which direction the WTO negotiations will head.

The global economic crisis, the legitimacy crisis of the WTO and other international financial institutions, and the determination of the imperialist countries to use military force to enforce their economic domination over the world all manifest the degeneration of the present economic, political system. However, in facing these multiple crises, the US and its neoliberal/imperialist allies will increase their exertion of power over the developing countries, in their relentless strive to open up more markets to compensate for their falling rate of profit. Thus, just as the US had done during the 4th Ministerial meeting in Doha, we can expect imperialist powers to use "bullying tactics" to make their gains at the next meeting, especially since the Ministerial coincides with the 2<sup>nd</sup> anniversary of the 9.11 attack.

## (2) Strategies of the Korean Government

Following the Kim Dae-Jung government, which had implemented intense restructuring programs to change the South Korean economy to a system that is more attractive to foreign capital, the Noh Moo-Hyun government also has as its objective attracting more foreign investments in false illusion that the investments will drive the Korean economy to constant growth. The president has emphasized again and again that it will promote "free investment treaties" that are designed to protect transnational capital from "risks" by securing "Most Favoured Nation" and "National Treatment" status for foreign capital, and exempting them from various regulations concerning for example workers' rights and the environment. It is also promoting the "Free Economic Zones", which will provide special treatment for foreign capital.

The negotiating position of the government for the WTO Doha Development Agenda is in line with these policies that focus on attracting foreign capital and expanding the sphere for profit of transnational corporations. As well as additionally liberalising education, energy and healthcare, the government is fully committed to the GATS request of other WTO members in areas such as finance, telecommunications, construction, distribution, environment, shipping etc. and acting as the mediator for imperialist countries in the liberalisation process of third world countries. The government hurriedly submitted its offers in services by the recommended date of 31st March - however, it turned out that only 18 countries out of 146 nations had submitted their offers by May. Within national borders, the Korean government is also eager to open up the agricultural market, by redirecting national policies away from agriculture towards fostering semi-conductors or mobile technology.

The government is justifying the liberalisation process and promotion of market-oriented policies by stressing the inefficiency of the public sector or consumer dissatisfaction, and is thus disseminating the discourse that liberalisation of market will increase efficiency, consumer satisfaction and competition. However, liberalization will only bring the deterioration of rights of the people such as workers' rights, rights to environment, education, healthcare, and other public services.

## ***2 The Importance of the Struggle against the 5th Ministerial***

- (1) It will be an opportunity for the people to launch an all-out resistance to the WTO - a regime that infringes food sovereignty and workers' rights, causes destruction of the environment and public services and widens the gap between rich and poor.

The liberalisation plans of the WTO aims to realise the interests of transnational capital, and subordinates the rights of the people and sovereignty to the principles of the market. As can be seen through the direct words of the president himself, the government's basic position on DDA negotiations is that agriculture and public services have to "inevitably" be sacrificed for the sake of liberalising industrial and technology markets.

After the liberalisation of the Korean rice market in 1994, Korean peasants have become highly indebted, and should the government maintain its position to push for decrease in tariffs and subsidies while banning import subsidies, the destruction of peasant communities will inevitably speed up. Also, the draft paper of the WTO Agricultural Committee does not mention anything about food safety and sustainability of peasant communities. The Korean government also does not focus on these matters. If the government does not abide to the fact that agriculture should be exempted from principles of trade, then the sustainability of the people and peasant communities will severely be damaged.

Also, the liberalisation of public services such as healthcare and education (permission to establish profit-based schools, expatriation of profits etc) will cause increase in education costs, worsen inequality, and speed up the subordination of education to the principles of the market. These processes will destroy public education itself. Should the liberalisation process of the WTO and neoliberalism continue, Korean capital will be more vulnerable to the mechanisms of financial globalisation, bringing about more restructuring, privatisation and flexibilisation of labour.

- (2) It will be an opportunity to expose the limitations of FDI-oriented development strategies of the government.

Bilateral investment treaties, bilateral free trade agreements and the DDA are all parts of the same system, which argues that the rights of the people can be sacrificed for the sake of making the best environment for transnational capital to perform its profit accumulation activities. However, after the economic crisis and the IMF structural adjustment program, most of foreign investments that were made in Korea were mostly financial speculation, having no relevance with creation of jobs or productivity. It has merely been a process to incorporate the Korean economy deeper into the grips of financialised world economic order, causing instability of jobs and inequality.

The struggles against the FTAs, BITs and the WTO will enable progressive groups to effectively propagate against the neoliberal world order, strive for the values of "solidarity", "democracy", and "social control", on which to develop further on the fact that there are alternatives to the capital-oriented imperialist globalisation.

- (3) It will be an opportunity to broaden and consolidate international solidarity among global social movements

Civic and social organisations around the world are determined to make the forthcoming Ministerial Meeting into a momentum for a common struggle against neoliberalism in general, the WTO in specific. It will be important to mobilise struggles on the national level against the WTO, however, the need for a global resistance is more than evident. It will also be an important opportunity to inter-relate the movement against the war and militarism with the movement against neoliberal globalization, both on the national and the international level.

During the past few years, the Korean social movements have developed international solidarity, however, international solidarity was limited to certain issues or groups. Although the resistance against neoliberalism has been intense in Korea, the ideas and fruits of the struggles have not been shared with movements outside of the country. It is also true that Korean movements need to become more active and contributive to the development of the global movement. Through the upcoming resistance against the WTO, Korean movements will be able to be more involved in the building up of a global movement and enhance its internationalist perspective. This, in turn, can contribute to the strengthening of national or local movements.

### **3 *Strategy & Tasks***

- (1) Basic Position

- ü Reject the FDI-oriented development strategies of the Korean government
- ü Reject the World Trade Organisation, and call for moratorium on the negotiations for the Doha Development Agenda that overrides human rights, the rights of workers, farmers and women, and rights to education, healthcare and environment
- ü Exempt all public services, agriculture and lifefoms from the free trade regime, and stop commodification of the public sphere
- ü Reject all attempts to liberalise investment, whether through the Singapore Issues or GATS
- ü Ensure that life comes before profit; that all have the right to access medicines and healthcare
- ü Stop all moves to further liberalisation and review of the effects of the existing liberalisation policies
- ü Reject neoliberalism and corporate globalisation that destroy the lives of the people

## (2) To Mobilise Resistance against Neoliberalism and WTO

### A. National level

- The anti-WTO struggle should be a continuation of the struggles of peasants against Korea-Chile FTA, and the struggles against liberalisation of education and healthcare, which received impetus during the last few months. The struggles must be directed to exposing the anti-democratic characters of the WTO and also the destructive nature of the WTO itself.
- The resistance against Free Economic Zones and the one against WTO are essentially the same struggle targeting market liberalisation and free movement of financial capital. Strategies against bilateral investment treaties and trade agreements with the US, Japan and Chile, and with Thailand and New Zealand (in consideration) should also be an important axis in this struggle. The resistance against all of these issues should be unified and aimed to target neoliberalism itself.
- Mass propagation and mobilisation must be formed to bring together the previous struggles of peasants, education and health workers, students, women and environment activists.
- The anti-WTO struggles must also direct itself against the Korean government. We need to have concrete information to monitor the moves of the Korean government on which to base our strategies -whether it be direct action to criticise or pressurise.
- The anti-WTO struggles must be truly mass oriented, and must be radicalised to a fight against neoliberalism itself.
- A delegation to Cancun should be organised. The delegation should overcome the limitations of previous participation in international demonstrations, where a few "representatives" merely "participated". The Cancun delegation should develop out of the local mass movement itself, and the organisation of the delegation should be a movement process in itself.

### B. International level

- Information on negotiations of other governments must be shared swiftly among movements. In order to accomplish this, setting up a firm information network with global social movements will be crucial.
- Solidarity links with global movements against WTO need to be strengthened.
- The global movement against WTO can communicate on shared experiences of the people under the WTO trade regime, expose the undemocratic nature of the WTO process, and strive together to create alternatives that are multidimensional – linking together local, regional and global alternatives.
- The Korean delegation to Cancun should go beyond simple “participation” to active “interaction”. It should share with other participants experiences of the Korean people in relation to the struggles against the bilateral investment treaties and trade agreements, as well as actively contribute to the events that take place in Cancun.

### C. Expansion of public control of public services and formation of alternatives

- We are adamant in our position that areas such as rice production, education, healthcare and other public services should not be targets of liberalization, and that they must be excluded from the WTO regime. However, our struggle should not stop at simply resisting liberalization. Our movement must aim to form strategies to counteract against the moves of the government and capital. The strategies need to be formed around the creation of alternatives to enhance public control of those areas that should not be liberalized. Thus, the resistance and the creation of alternatives should be parts of the same process.
- The Korean government emphasizes that the liberalization of public services is an inevitable trend. However, we are aware that this is not so, as we have seen from the perspective of the EU in not including education in its GATS offers. It is essential for Korean movements to be able to come up with concrete evidence to counteract the ideology of the government.
- The creation of alternatives and tackling the ideology of the government requires deep analysis and research - a process that needs further systemization on the part of the Korean organizations.

## ***4. Actions and campaigns leading up to and during the Ministerial***

### (1) Until June: Action against Free Economic Zones, FTA and WTO

#### ■ Action against Free Economic Zones

- a. Campaign in front of Presidential Office: May 12<sup>th</sup> – 30<sup>th</sup>
- b. People’s public hearing on FEZs: May 29<sup>th</sup>
- c. Mass rallies against FEZs: June 16<sup>th</sup>, 23<sup>rd</sup>, 30<sup>th</sup>
  - To resist on days of cabinet meetings and day of effect of EFZ

#### ■ Action against Korea-Chile FTA

- a. Campaigns and sit-ins: throughout May & June
- b. Mass rallies against FTA: June 20th, 30th
  - To pressurize the national assembly to veto the ratification of the FTA

■ Action against GATS bilateral negotiations

■ Education and workshops on WTO

- a. Strategy Workshop to Resist 5th WTO Ministerial: May 20th
  - Workshop between various social movements to formulate strategies against the WTO
- b. Publication of booklet on WTO and people's rights: June
  - To be used by mass organizations for education on the WTO

■ Preliminary meeting of Korean delegation to Cancun

(2) July through September: Actions against Korea-US Bilateral Investment Treaty / Run-up actions towards WTO Ministerial

■ Action against Korea-US BIT

- a. Formation of "Joint Committee to Stop Korea-US Bilateral Investment": beginning of July
  - To consolidate and broaden the alliance between social movements, NGOs, cultural groups
- b. Strategy Workshops to Resist Korea-US BIT: July 4th
- c. People's public hearing on Korea-US BIT: July 9th
  - Public debate between social movements and government officials
- d. Mass actions and campaigns: through July

■ Action against WTO

- a. "Ten Demands of the Korean People"
  - To systemize the demands of the people to the Korean government on the WTO
- b. Formation of a "negotiation group"
  - To pressure the government to accept and implement the "Ten Demands of the Korean People"
- c. Campaigns and rallies during the Mini-ministerial: July 25th-26th
- d. Workshop on the negotiation process of the WTO: July 21st
  - To familiarize activists with the latest developments in the negotiations and main points of debate
- e. "To Cancun!" Organisation of Korean Delegation: through July & August
  - Organisation and education of workers, peasants and activists to directly participate in the struggles at Cancun
- f. "To Cancun!" Delegation press conference and take off: September 5-6th
- g. "No to Neoliberalism! No to WTO!" Week of Action: end of August to September 6th
  - Meetings with government negotiators and sit-ins: from August 25th
  - Sit-in camps in front of presidential and/or government offices to pressurize the government
- h. Mass mobilization against neoliberalism and WTO: September 6th

- i. Continuation of campaigns and demonstrations during Chuseok holiday week: September 9th-14th
  - Campaigns in homebound buses, trains and tollgates
- j. Mass conference on assessment of national/international mobilizations, outcome of negotiations and future action plans

### ***Korean People's Action against FTA & WTO (KoPA)***

21C Progressive Students' Association | Altogether | Association of Korean Independent Film & Video | Citizens Solidarity for Cooperate Responsibility | Coalition for Cultural Diversity in Moving Images | Cultural Action | Democratic Labor Party | Federation of Korean Trade Unions (FKTU) | Green Korea United | Intellectual Property Left | International Politics and Economics Forum | Korea Livestock Cooperation Federation Labor Union | Korea Catholic Farmers Association | Korea Christian Farmers Association | Korea Education Network against GATS (KENAG) | Korea Government Employees' Union (KGEU) | Korea Women's Associations United (KWAU) | Korea Women Farmers' | Korea Women Link | Korean Agriculture Cooperation Federation Labor Union | Korean Association of Film Art & Industry(KAFAI) | Korean Confederation of Trade Unions(KCTU) | Korean Farmers' League(KFL) | Korean Federation of Activists Fighting for Health Rights (KFHR) | Korean Federation of Environmental Movement(KFEM) | Korean Federation of Progressive Artists (KFPA) | Korean House for International Solidarity(KHIS) | Korean Institute for Labor Studies and Policy(KILSP) | Korean Institute for the Study of Rural Societies (KISRS) | Korean International Network(KIN) | Labor Culture Network | Labor News Production | Minbyun-Lawyers for a Democratic Society | National Alliance for Democracy and Re-unification of Korea | National Assembly for Student Solidarity | National Livestock Cooperatives Federation Labor Union | National Professors' Committee for Democratization in Korea | National Reconciliation, Self-Reliance and Reunification | National Union of Media Workers | People's Solidarity for Participatory Democracy(PSPD) | People's Solidarity for Social Progress(PSSP) | Peoples Health Coalition for Equitable Society | Policy and Information Center for International Solidarity(PICIS) | Power of Working Class(PWC) | Progressive Education Research Institute (PERI) | SARANGBANG Group for Human Rights | Seoul Women's Trade Union(SWTU) | Solidarity for New Society | Solidarity for Peace and Human Rights | Solidarity of Christian Citizens Society | Student Action Solidarity | Workers' Institute for Management Analysis(WIMA) | Workers Human Rights Institute