

Despite claims to equalize the trade environment, WTO negotiations favour rich countries. These countries bring large groups of trade negotiators, far more than smaller countries. Furthermore, it has been charged that many agreements are made without consultation or involvement of poor countries. This has escalated in recent years during the Doha round – Brazil and India formed the 'G20' group to represent developing countries' needs.

The same rules create good incentives for better government. Short-term, special-interest lobbying and corruption are more difficult to enact when everyone knows the rules (transparency) and the government is pledged to support them.

The WTO provides a place to handle disputes constructively. By providing a dispute process, with a schedule of negotiation as part of the early stages, the WTO encourages compromise.

- WTO agreements shield countries from narrow interests. When asked to enact forms of protectionism, national governments resist the temptation because they want to be seen playing by international rules. Thus, governments are in a better position to ignore powerful special interest groups that would distort trade in their favour.
- Trade increases economic growth, which can increase employment. While trade can increase GDP, the effect on jobs, according to the WTO, is more complicated. Countries that lose jobs can smooth the adjustment with good transitional policies, or perhaps this is because countries with good policies tend to be the ones that are more likely to respond to job losses anyway. The results are, according to the WTO, mixed.
- The WTO system encourages efficiency and simplicity. Certainty about trade rules, transparency about the rules, and predictability about the trading environment all encourage trade and efficiency.

Agricultural subsidies in rich countries have not been reduced, despite pledges by countries signing up to the Uruguay round. These subsidies depress world prices, and reduce production in developing markets that would otherwise export to the developed world.

Trade provides greater consumer choice and variety. Trade gives consumers worldwide access to goods, meaning any consumer can shop according to their preferences. More luxury goods are available, as well as a greater variety of cheaper consumer goods.

Free trade cuts the cost of living. When countries produce based on efficiencies and comparative advantage, the costs of food, clothes and other necessities are cheaper. The WTO notes that rich countries, primarily the EU and US, subsidize their farmers with nearly \$1 billion per day, enough to fly all their cows around the world first class one and a half times.

- Trade boosts incomes. Agreements in the 1994 Uruguay round resulted in an income increase of between \$109 billion and \$510 billion. This income can be used by governments, in part, to improve services and infrastructure. However, domestic producers protest when inefficient industries face competition.
- Rich countries and individuals are getting richer faster than everyone else. Studies have shown that the rich-poor gap has been growing since 1990. Oxfam International notes that 'with only 14% of the world's population, high-income countries [still] account for 75% of global GDP, which is approximately the same share as in 1990' (*Rigged Rules and Double Standards*, 2002).

The WTO system is based on rules rather than power. The WTO often judges rich countries to be violators of trade policy. This rules-based system helps protect smaller, poorer trade partners when disputes arise.

- The WTO system promotes peace. By increasing trade relationships between countries, the WTO helps reduce conflict as 'sales people rarely fight their customers'. 1930s Europe competed to raise barriers, which contributed to World War II, while post-war Europe has grown increasingly integrated by trade and is at peace.

The Uruguay round has not addressed tariff escalation. This refers to the practice of developed countries keeping tariffs on raw materials and primary goods (imported by these countries) low, while maintaining much higher tariffs on the semi-processed and higher-value goods made from the raw materials. This keeps away low-cost competition from LDCs in these semi-processed and higher-value industries. It also prevents LDCs from diversifying their production, increasing the risk of overspecialization.

It is argued that most of the gains in trade have come from trade between rich countries, negating the claim that trade benefits everyone.

- Poor countries sometimes cannot afford trade representatives, and so have no representation in trade negotiations.

The protection of intellectual property rights, an issue of far greater interest to the capital-intensive rich world, keeps innovation from spreading quickly to developing countries.