

Trade has the potential to lift millions out of poverty. But the current rules of trade are biased in favour of big business at the expense of the world's poor.

Trade takes place on a number of levels – whether it is goods you buy, services you use or the direct exchange of money. In the era of globalisation the search for profit has gone global.

In 2006, European officials and big European companies cooked up a new strategy in the quest to remain the world's biggest trading power. It includes a hit list of developing countries to target for new trade deals.

But history shows that these kinds of trade deals make companies richer without benefiting the poor. In Mexico, for example, a trade deal led to two million people leaving their land as the price for maize collapsed. Corporate giants meanwhile reaped the profits.

The World Development Movement (WDM) wants European leaders to:

- halt the negotiations on these new trade deals
- adopt an approach to trade that prioritises the needs of the poor

Europe's corporate takeover

The European Union is pushing through trade deals with developing countries that serve the interests of big business at the expense of the world's poor.

Europe has already negotiated trade deals with South Africa and Mexico. Overall the net results have been worsening trade deficits for the countries concerned, while European companies have made a tidy profit.

Europe is currently negotiating trade deals with 76 African, Caribbean and Pacific countries, otherwise

known as Economic Partnership Agreements. It is unlikely that these deals will benefit the 550 million people who live on less than £1 per day in these regions and there have been international protests against them. The final deals are expected to be signed at some point in 2008.

Europe is now starting a new wave of trade deals in its quest to remain the world's biggest trading power. These deals cover 34 more countries, where 920 million people live on less than £1 per day.

Imagine what could happen five years from now...



Lee LeFever

A Vietnamese farmer wants to set up a business with a loan from the rural branch of his national bank.

But after his government signed a trade deal with Europe he was unable to access any credit. Big foreign banks have now entered the market and they are only interested in lending large amounts of money to rich customers in the cities.

A young Honduran woman is working for a telecoms company when her government agrees a trade deal with Europe. As a result of the deal her employer gets quickly bought out by a large European telecoms company, that hires mainly foreign nationals.

She and many others lose their jobs, while the company makes record profits that go directly back into Europe.



WDM

A Colombian farmer grows crops for a living when his government signs a trade deal with Europe. As a result of the deal the price he gets for his crops soon starts to fall as cheap imports flood the market. Even though he knows the problems with the drug trade he resorts to growing coca



Edwin Hufman / World Bank

for cocaine production. It gets a better price and growing it makes it easier for his family to survive.

Trade that works for development

Trade could lift millions out of poverty. Voices around the world are growing in their call for a different trading system that works in the interest of people rather than profit. Join us in making this a reality.

Take action www.wdm.org.uk/trade

Europe's corporate takeover



More than two billion people around the world live on less than £1 a day. Trade could lift millions out of poverty but the current trade rules are rigged in favour of the rich and powerful nations.

Europe wants to secure new trade deals with over one hundred countries, so that European companies can expand into global markets and maximise their ability to make money.

It is time to put people before profit.



Completed trade deals
(Chile, Mexico, South Africa)



Trade deals reaching completion
Economic Partnership Agreements
(Africa, Caribbean, Pacific)



New round of trade deals
(Central America, Andean Community,
Mercosur, Mediterranean, India, Korea, ASEAN)