

UNRESOLVED ISSUES

IN
INTERNATIONAL LAW, ADMINISTRATION,
POLITICS & DIPLOMACY

VOL. 2



Editors:

E O C Ijeoma | B P Wanda | N Nwaodu

Unresolved Issues In International Law, Administration, Politics & Diplomacy

Editors:

E.O.C. IJEOMA | B.P. WANDA | N.O. NWAODU



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**INTERNATIONAL LAW, ADMINISTRATION,
POLITICS & DIPLOMACY**

Vol 2

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Chapter Two

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INTRODUCTION

Prior to the advent of the World Trade Organisation herein after called the WTO, the extent to which the global trading activities should be protected was heavily beclouded with controversies and confusions. These occurrences became the source of tension in the global international economic relations, part of which culminated in the Second World War. The issue of market control, free trade and sovereignty in the international economy has been on the major bones of contention in the activities of the World Trade Organisation since its inception⁷⁵

After the World War II, the clamor for a forum or an organisation that would serve as a platform for negotiating trade agreement and trade rules increased tremendously. This urge was what gave birth to the General Agreement on Tariffs and Trade (GATT) and it was GATT through Uruguay Round that later metamorphosis to the World Trade Organisation (WTO)⁷⁶.

While majority of the Countries opined that the generality of goods including agricultural products be internationally controlled and supervised by a reputable internationalised organization, some opined that a blanket regulation of trade and services was in apt, hence the call for the exclusion of some agricultural products from the GATT regimes⁷⁷.

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⁷⁵ Olatoke J.O 'The World Trade Organisation's Policy on Agriculture: Paraphernalia of Neo-Colonisation of African Economy?', in *Nigerian Journal of Food, Drug and Health Law*, vol. 5, No. 1, 2012, p.24

⁷⁶ Olokooba S.M 'Trade Liberalisation or Trade Colonisation? An Extraction of the Politics in Policies of the WTO on African Economy', *Islamic University in Uganda Journal of Comparative Law*, vol.3, 2009, p.199

⁷⁷ United state of America fought for the exclusion of milk and other agricultural products from the General Agreement on Trade and Tariff (GATT) in the late 50's

In an attempt to harmonised these stands, a new Internationally agreed trade rules was proposed as way to achieve peaceful trade dispute settlement system amongst the Nations of the world. Thus, the General Agreement on Tariffs and Trade (GATT) was formed and it was GATT through Uruguay Round that later metamorphosis to the World Trade Organisation (WTO). The World Trade Organisation (WTO) was established in 1994 at the end of the General Agreement on Tariffs and Trade (GATT) of Multinational trade negotiations (MTNs), which started in September, 1986 and ended in Marakesh in December, 1994⁷⁸.

After the ceremonial freedom of many African countries⁷⁹ coupled with sweet propaganda of the usefulness of WTO by the west, many African states joyfully joined the organization with the hope of securing accelerated economic development for African trade and commerce; and with the hope of using the plat form to actualise African dream of having authority in the global trade politics.

About two thirds of the WTO's 150 members are developing countries⁸⁰. They play an increasingly important and active role in the WTO because of their numbers, and because they increasingly look to trade as a vital tool in their development efforts. Developing countries are a highly diverse group often with very different views and concerns. Therefore, today an increasing number of voices are being raised against the activities of the WTO. To many, African and many other developing countries had virtually lost out, and that, the public interest and objectives of trade liberalisation have actually been turn to a paraphernalia of neo-colonisation of the developing countries economy. In fact, in the recent times, meetings of the WTO have been greeted with public condemnation and street demonstrations⁸¹ which now leaves one in doubt of actual reasons and functionality of WTO in the global trade policy making.

Structured in to five sections, section two focuses the analysis of the base of African economy, while section three is on the jurisprudential arguments for and against African membership of WTO. The Proposed New Issues, the Internal Tax Regimes as well as the relevance of the African membership of WTO is the main gist in section four. The paper ends in section five with conclusion and recommendations.

THE BASE OF AFRICAN ECONOMY EXAMINED

The base of African economy has been in trade and agriculture. The bulk of the funds used for African development are expected to come from agricultural produce from the continent. This agricultural economy accounted for why African countries are popularly

⁷⁸ Paul. I.O "Implementation of the WTO/TRIPS Agreement by Nigeria: Strengthening Protection and Enforcement Mechanisms" in *Nigerian Journal of Food, Drug and Health Law*, vol.6, No. 1, 2013, p.36

⁷⁹ Amongst the early African members of the WTO are Nigeria, Uganda, Tanzania, Ghana, Zambia, Kenya, Morocco, Senegal, who all joined WTO on 1st of January, 1995

⁸⁰ See, < http://www.wto.org/english/thewto_e/whatis_e/tif_e/dev1_e.htm accessed on the 9th /10/2013

⁸¹ One of such demonstration and protest occurred in Hong Kong, where the protesters clashed with the Hong Kong police in Wan Chai during the WTO Ministerial Conference of 2005

referred to as an agrarian society. In essence if not recently that African states are striving to keep pace with the industrialisation process of the west, agriculture, hunting, and fishing has been the base of the indigenous economy of Africa. Even with the introduction of mechanised farming, majority of African farmers still employ the method of shifting cultivation. The implements used were mainly cutlass and hoe done through the use of human labour. The countries of Africa

... are called agricultural countries because they rely on agriculture and have little or no industry, but their agriculture is unscientific and their yields are far less than those of the developed countries.⁸²

Africa was an all round agrarian community before the coming of the colonialists. Therefore, it is not an exaggeration to say that, agriculture has been the basic occupation of Africa and other developing nations. On this Buah,⁸³ observed,

...prior to the arrival of the 'white men', the mandigo cultivated acres of millet, or guinea corn...rice was the staple crop in the Cacheu. Similarly these and other native crops were cultivated in the area of Guinea land. Indeed, it is believed that yams, for example, were cultivated in the forest and sub-savannah lands....

After the freedom of many African countries from the direct authority of the colonialists, the base of African economy-agriculture, received some attention from Europeans. The Europeans introduced and developed a few crops which they needed e.g. Cocoa, groundnut, cotton and palm trees but according to Ogunsola⁸⁴

...no interest was shown in the development and preservation of indigenous crops such as maize, beans, yams and cassava. The colonial masters did not want to establish any industry in West Africa nor did they want native industries to exist or rival their own industries...

The effect of the negligence of many of the indigenous African crops led to great decline in the development of such crops even till today. Consequently, African farmers often had poor yields and were themselves extremely poor; and even with that:

The big nations still establish the price of agricultural Products and subject these prices to frequent reductions. At the same time the price of manufactured goods is also set by them, along with the freight rates necessary for trade in the ships of those nation. The

⁸² Rodney W, *How Europe Underdeveloped Africa*, (Abuja, Panaf Publishing Inc, 2005), pp:18-19, see also, Olokooba S.M 'Trade Liberalisation or Trade Colonisation? An Extraction of the Politics in Policies of the WTO on African Economy', *Islamic University in Uganda Journal of Comparative Law*, vol.3, 2009, p.204

⁸³ Buah F.K, *History of West Africa since A.D 1000: Book One, The People*(London, Macmillan Education Limited, 1978),p:231

⁸⁴ Ogunsola J.B, *West African History AD 1000-present Day*,(Ibadan, Aromolaran Publishing, Company Limited, 1977),p:105

minerals of Africa also fall into the same category as agricultural produce as pricing is concerned⁸⁵

Unfortunately, the agriculture that African relied on contemporarily is now nose-diving. The expansion in the volume of importer of goods and services has been dramatic, exceeding that of exports. Agriculture's contribution to output fell almost continuously and the negative growth rate experienced by the agricultural sector is all the more disturbing when account is taken of the facts that its decline would be greater if we consider per capital terms, it also has adverse effects on the balance of trade, industrial costs....⁸⁶

JURISPRUDENTIAL ARGUMENTS FOR AND AGAINST AFRICAN MEMBERSHIP OF THE WORLD TRADE ORGANISATION

Case for African Membership of WTO

The western propaganda on the usefulness of WTO on trade and commerce was the major reasons that made many African countries to join the organisation⁸⁷. One of such propaganda was that, the WTO was a global effort to actualised the UN's effort in a bid to roll back hindrance to free commerce through the painstaking intervention of the GATT through UNCTAD⁸⁸. Another is 'the development that some African countries are now experiencing via collaboration of Agricultural programmes with the aid of WTO's policy...'⁸⁹

Not only that, it was generally believed that the World Trade Organisation was for the conduct of international trade that would raise the standard of living of member states, ensure full employment, sustainable development and environmental protection of the member nations across the globe. In other words, the WTO is an international organisation designed by its founders to supervise and liberalised international trade⁹⁰.

The issue now is, has the above stated instances improve African continent due to the membership of African countries in the WTO? Are the already existed policies of WTO favours the African continent? Are WTO policies on trade liberalisation and agriculture consistent with African's cultural value and will such policy improve and accelerate the development of African economy? Does the policies of WTO consistent with the developmental efforts of African countries vis-à-vis subsistent farming and protection of African farmers who are mainly, small scale farmers?

⁸⁵ Rodney *op.cit*, p:25

⁸⁶ Okongwu C.S.P *The Nigerian Economy: Anatomy of a traumatized Economy with some proposals for stabilization*, (Enugu: Fourth New Dimension Publishing Co. Ltd, 1986), p.20

⁸⁷ See the detail number of African countries in WTO at http://en.wikipedia.org/wiki/wto_accession_and_membership#List-of-members-and-accession-dates. Accessed on 16th July, 2009.

⁸⁸ J.W David, *United Nations in the Contemporary World*, (London, Routledge, 1997), p:75

⁸⁹ Olatoke J.O 'The World Trade Organisation's Policy on Agriculture: Paraphernalia of Neo-Colonisation of African Economy?', in *Nigerian Journal of Food, Drug and Health Law*, vol. 5, No. 1, 2012

⁹⁰ World Trade Organisation-Wikipedia, the free encyclopedia, http://en.wikipedia.org/wiki/World_Trade_Organisation, accessed on 27/6/2009, p:1 of 9

Case against African Membership of WTO

Today an increasing number of voices are being raised against the activities of the WTO. The WTO'S public interest and objectives remain out of reach of the African nations. In fact, many⁹¹ has criticised and opined that, the organisation is just a plat form that the rich and developed countries are using to further colonise African trade. To some people, the World Trade Organisation is today one of the most secretive international bodies on earth, established to feed the greed of the rich in the name of trade liberalisation⁹² through indirect autocratic system called "consensus"⁹³ in reaching decision at the WTO. While some opined that the WTO's public interest and objectives has remained out of reach of the Less Developed Nations of the world.⁹⁴

Invariably, it is now believed that the WTO'S emphases has slipped from concentrating on these public interest goals to seeing itself primarily as 'an organisation for liberalising trade' and 'that the system's overriding purpose is to help trade flow as freely as possible'⁹⁵ even at the detriment of some member nations especially the African countries.

THE PROPOSED NEW ISSUES AND THE INTERNAL TAX REGIMES OF THE WTO APPRAISED

The Proposed New Issues

For reason best known to the developed countries and the world economic dictators, The Uruguay Round of trade negotiations again introduced new issues into the ambit of the multilateral trading system in a bid to expand its functional scope. Sequentially, the developed countries have intensified pressures to incorporate still more issues which are to their advantage into the World Trade Organisation (WTO) system.

There is a long list of "new issues" being put forward by the developed countries to link trade (and the possible use of trade measures and sanctions as enforcement mechanisms) to several economic and noneconomic areas⁹⁶. Amongst these new issues are issues on labour and international investment rules, competition policy, industries and government procurement. Another issue is the environmental issue which is basically not in the former WTO agreement. The first three issues were put on the

⁹¹ Amongst them are K. Martin, "Why developing countries cannot afford the new issues in the WTO Seattle Conference at <http://www.ifg.org/newissues.html> accessed on 22nd July, 2009. see also S Charnovitz" Address in Environmental and Labour issues in the WTO at http://www.ppionline.org/ppi_ei_efm?knlgAreaID=108&subseelD=128&contentID=649" and J. Bhagwati, from Seattle to Hong Kong at <http://www.foreignaffairs.org/20051201faessay84701/jagdish-bhagwati/from-seattle-tohong-kong.html>, see also Olokooba S.M 'Trade Liberalisation or Trade Colonisation? An Extraxction of the Politics in Policies of the WTO on African Economy', *Islamic University in Uganda Journal of Comparative Law*, vol.3, 2009.

⁹² <http://www.ify.org/wto.html>, accessed on the 6th July, 2009

⁹³ This is also referred to as "green room negotiation"

⁹⁴ See Tonny O. 'To Accede or not to accede to WTO agreement on Government Procurement: Issues for Least Developed Countries in Africa' *Islamic University in Uganda, Journal of Comparative Law*, vol.3, 2009

⁹⁵ See http://www.3dthree.org/pdf_3D/Guide_075Ch1-pdf, accessed on the 7th July, 2009

⁹⁶ Martin, K. *The Proposed New Issues in the WTO and the Interests of Developing Countries*, (Third World Network, Malaysia, 2001), p.3

agenda of the first WTO Ministerial Conference in Singapore in 1996. Most developing countries were against having any negotiations for agreements on these issues, but the pressure from the developed countries was so strong that they compromised and agreed to take part in "working groups" to discuss the issues⁹⁷.

The new issues also propose to give more power to foreign industries to operate on equal basis at every member nation states. In essence, both local and foreign industries by the new issues must be treated with equality in the member state and all the law already in place for the protection of the local industries must be whittle down. To strengthen this issue, there have been strong attempts by many Northern governments to link trade with labour standards in the WTO. It is possible that a wide range of other issues, such as human rights, tax systems and cultural behaviour, will also be sought to be linked to trade measures in the WTO in future. Therefore, as rightly observed by Martin⁹⁸

The device of bringing in new topics by alleging that they are trade related continues to be used in WTO negotiations. In fact, however, the pretence of being directly trade-related is no longer even necessary and may be seen to unduly restrict the scope of the issues being introduced. The prefix "trade-related" has often now been dropped in proposals for these new issues, which are now sought to be brought into the trade arena through simply using the word "and", as in "trade and environment", "trade and labour standards", "trade and investment" and "trade and competition policy."

Sensing the danger in the introduction of these new issues, most of the developing countries are resisting the attempt. The essence of the resistance by many developing countries according to Martin is "on the grounds that: (i) they are not ready for negotiations on more new issues as they are already unable to grapple with the problems generated by the Uruguay Round; (ii) the proposed issues are not in their interests but instead can seriously harm their economies should they become the subject of new WTO rules; and (iii) the issues are not directly related to trade and do not belong in the WTO⁹⁹."

The method of linking trade with the proposed new issue is of great disadvantage to the African economy. Presently, according to Okechukwu¹⁰⁰, African trade itself is already subjected and tied to the control of developed Nations of the world due, among others to the globalisation of the economy. This is so because globalisation has really

⁹⁷ Ibid, 3-4

⁹⁸ Ibid, p.7

⁹⁹ Ibid, p.6

¹⁰⁰ Okechukwu O 'An Examination of Economic Diplomacy in International Law', *Kogi State University Bi-Annual Journal of Public Law*, vol.2, 2009,p.43

transformed the organization of international economic relationship around; it has affected the economic, social and political sphere of societies and citizens. This is characterized by complex set on interconnectivities and interdependence with an increasing number of actors vying to influence the outcome of these relationships. They lay competing claims to resources markets and legitimacy and are engaged in activities traditionally defined as belong to domain of diplomacy¹⁰¹. Therefore,

"the device of linking trade with other issues (when the Intention is really to link the dispute settlement system of the WTO, including its provisions for trade retaliation, to new policy areas) is being increasingly used for the purpose of further opening up Third World economies or to reduce their competitiveness in the scramble for world market shares"¹⁰².

Just like other policies of the WTO,¹⁰³ the underlining aims of this new proposal was to look for and secure foreign market cheaply that will serve as dumping ground for the European goods and services. The negative effect of this on African economy is obvious; it will render African nations economically unviable and remain in perpetual subjectivity to developed countries control.¹⁰⁴ The equitable treatment provision in the new issues is direct paraphernalia to fight all the local laws already in place to protect the local industries.¹⁰⁵

Internal Tax Regime of WTO

The issue of the internal tax regime of the WTO is also an issue beclouded in controversy. The underpinning reason for the programme is more detrimental to the African states than benefit. According to Olokooba *et al*¹⁰⁶ Article III, Paragraph 1, of the WTO article on the internal tax regime is a general provision that forbids member states from using internal tax measures for the protection of domestic production. In fact the second paragraph in the article gives the restriction in more precise language. This in fact is inconsistent with tax principle¹⁰⁷ because the role taxation economically, socially and politically in the developmental effort of any nation cannot be underestimated.

¹⁰¹ *Ibid*, p.43

¹⁰² Matins, *op.cit*, p.6

¹⁰³ Such as policy on Agriculture, Trade liberalisation, Anti-dumping and voting system

¹⁰⁴ For further effect, see Martin K, "Why developing countries cannot afford the new issues in the WTO Seattle conference" at <http://www.ifg.org/newissues.html>, accessed on 22/7/2009

¹⁰⁵ For other criticisms of the new proposed issues, see S Charnovitz "Address in Environmental and Labour issues in the WTO at <http://www.ppionline.org/ppi/ei.efm?knlgArealD=108&subseelD=128&contentID=649>", see also J.Bhagwati, from Seattle to Hong Kong at <http://www.foreignaffairs.org/20051201faessav84701/jagdish-bhagwati/from-seattle-to-hong-kong.html>, accessed on 24/10/2009

¹⁰⁶ Olokooba, Olatoke and Orubebe, "Internal Tax Regime of WTO: A Clog in the wheel of Economic Progress of the Developing Countries", *KIU Journal of Social Sciences*, 3(1), 2018

¹⁰⁷ *Ibid*, p.182. For detail roles of as well as characteristics of taxation, see, Agbonika J.A.A. *Problems of Personal Income Tax in Nigeria*(Ababa Press Ltd, Ibadan, 2015) pp.17-19, Olokooba S.M, *Law of Taxation II* (National Open University, Lagos, 2010), pp. 12-19

The germane question asked by Olokooba *et al*¹⁰⁸ in their paper as well as the answer clearly mirror the actual position of the internal regimes of the WTO as a clog to economic progress of African states as well as a detrimental paraphernalia to African relevance in the global international economic policy making. Some of the questions as raised in their paper were on the equitable treatment of WTO members, trade and commerce inequality as well as the preferential treatment of some member states. To all the questions, an analysis of the WTO's policies clearly indicated that African member states are still subjected to firm control of the developed nation's wishes and influences.

Agriculture which serves as the major economic source of developing nations unfortunately is also being controlled indirectly by the developed nations. Both import and export is being dictated by the West as dictate by the Dollars rate to African currency in the International market¹⁰⁹. In fact, African farmers often had poor yields and were themselves extremely poor. Despite this bad situation,

*The big nations still establish the price of agricultural Products and subject these prices to frequent reductions. At the same time the price of manufactured goods is also set by them, along with the freight rates necessary for trade in the ships of those nation. The minerals of Africa also fall into the same category as agricultural produce as pricing is concerned*¹¹⁰

The expansion in the volume of imported goods and services has been dramatic, exceeding that of exports. Agriculture's contribution to output fell almost continuously and the negative growth rate experienced by the agricultural sector is all the more disturbing when account is taken of the facts that its decline would be greater if we consider per capital terms, it also has adverse effects on the balance of trade, industrial costs....¹¹¹

Even other natural resources that the developing nations are using to survive are now facing problem because most of those resources are either going into extinction or gradually disappearance due to climate change. Nigerian as a nation is facing her own problem through constant reduction and fall in her revenue generation from oil. In fact, going by World Bank prediction, Nigerian Crude oil may dry off in couple of years to

¹⁰⁸ In *ibid*, p.182

¹⁰⁹ *Ibid*, 183

¹¹⁰ Rodney W, *How Europe Underdeveloped Africa*, (Abuja, Panaf Publishing Inc, 2005), pp:18-19, see also, *ibid*, p.183

¹¹¹ Okongwu C.S.P *The Nigerian Economy: Anatomy of a Traumatized Economy with some Proposals for Stabilization*, (Enugu: Fourth New Dimension Publishing Co. Ltd, 1986), p.20 as cited in *ibid*.

come.¹¹² To cushion all these negatives, internal tax on importation would have been the best option.

On the international scene, internal taxes on certain types of goods such as coffee, tea, or tobacco, have posed a particular problem to GATT. Often these goods are almost wholly imported and, when combined with their "luxury" nature, they pose a very attractive revenue target for government treasuries¹¹³. Thus very high internal taxes often exist on these items.¹¹⁴ When imposed by industrialized nations, such taxes may operate to reduce export earning of producing countries and, when the latter are less-developed countries (which is often the case when the products are "tropical"), the effect may be inconsistent with policies aimed at promoting development in the countries.¹¹⁵ Not surprising the complaint brought by some member states against tax provision in GATT. Such complaints indicate that sales taxes,¹¹⁶ luxury taxes,¹¹⁷ and turnover cannot be applied in such a way as to discriminate against imported goods. Granting exemption from such taxes for domestic goods but not for imported goods is also a violation of Article III,¹¹⁸ as it is a discriminatory application of such a tax even though the tax law reveals no discrimination on its face.¹¹⁹ Invariably, the root effect of this will be an opening of more avenues for the developed nations to flood African market with their products devoid any revenue derivation through tax.

¹¹² Olokooba S.M 'Taxation: A Noah's Ark in the event Nigerian Oil Dries Off', in Uchefula C *et al Law, Social Justice and Development: A Festschrift for Professor UBA Nnabue*, (Imo State University), p.999. see also Olokooba S.M *et al*, p.183

¹¹³ Olokooba S.M *et al*, *op.cit*, p.182

¹¹⁴ See generally GATT Docs.L/1732, at 5; L/ 1768, at 7 (1962). For a specific example of high internal charges on tropical products see GATT Doc. Com.Td/G/W/10, at 5 (1965). The less developed countries' products often face even higher internal taxes when they have been processed, e.g., roasted coffee. Id. The contracting parties are now required to "(i) refrain from imposing new fiscal measures, and (ii) in any adjustments of fiscal policy accord high priority to the reduction and elimination of fiscal measures, which would hamper, or which hamper, significantly" the export of primary goods, new or processed, from less- developed countries, GATT Art.XXXVII, Para. 1 (c). see also the EEC's problems in renegotiating concessions once a common tariff was reached on manufactured tobacco and petroleum products in GATT Docs. L/2039 (1963); L/2234 (1964); L/2762 (1967; L/2997 (1968.) as cited in *ibid*.

¹¹⁵ If the price elasticity of demand is high, the internal tax will have the effect of decreasing imports. If, on the other hand, the price elasticity of demand is low (as seems to be the case with goods like coffee and tobacco) the there may be simply some diversion of the potential price charged from the producing nation to the taxing nation.

¹¹⁶ Brazil acknowledged that a number of her internal taxes discriminated against imports. Some she justified as existing legislation; others she acknowledged were contrary to GATT and these she promised to ask the Brazilian Congress to eliminate. GATT, 2 BISD 181 (1952). The Brazilian Congress resisted and did not comply until 1957. GATT Doc. L/729 (1957)

¹¹⁷ According to an Italian complaint, all continuous artificial fabrics imported into Greece were subject to a luxury tax ranging from 10% to 22%, while all similar domestic goods, except rayon, were not also taxed. The Italians alleged this to be a violation of GATT Article III, paragraph 2 GATT Doc. L/234, at 1 (1954)

¹¹⁸ Great Britain complained of a 2% differential (4% - 6%) in the rate of the Italian turnover applied to domestic versus imported pharmaceutical products. A violation of GATT Article III was alleged. See GATT Doc.L/421 (1955)

¹¹⁹ "The Netherlands complained to the CONTRACTING PARTIES of the Utility sentiment" used by Great Britain to impose its purchase tax, whereby certain domestically produced consumer goods were exempted from the tax while like imports were not Great Britain agreed that the tax was improper under GATT. See GATT Doc. CP 5.I SR.20 (1950). Britain later reported that an expert committee had been appointed to study the problem. See GATT Doc. CP.6/SR.7 (1951). One year later, upon the recommendation of her study committee, Britain abolished the utility system. Thus removing the discriminatory aspect of the purchased tax. See GATT Doc. SR.7/5 (1952), see also *ibid*, 184

Relevance of African Membership of the WTO

To be relevant in the global trade policy making, a country would have to be industrially viable, both in term of production and exportation of their product. The question now is, are African countries as viable as this? The answer is NO. Presently, African countries have little or no industry that can compete favourably with already existed well structured industrialized industries. Even the agriculture in Africa is yet to meet up with the developed countries mechanized agricultural system. The resultant effect of this is that

...Africa became increasingly underdeveloped in comparison with the industrialised area of the world. The pattern of trade between Africa and the industrialising world in the nineteenth century is a pattern that still exists today....Europe robbed Africa of her surplus products to feed its own economy, obtaining Africa exports at low prices and using them to boost its own industrialisation, thus steadily widening the gap between itself and Africa....¹²⁰

The dichotomy between a developed, underdeveloped or developing economy which most African countries belongs is of glaring magnitude. According to Rodney¹²¹

...The developed countries are all industrialised that is to say, the greater part of their working population is engaged in industry rather than agriculture, and most of their wealth comes out of mines, factories, e.t.c. They have high output of labour per man in industry because of their advanced technology and skill.... It is also striking that the developed countries have a much more advanced agriculture than the rest of the world. Their agricultural has already become industry.....

He further observed that

...In Africa, the output of food per person has been falling in recent years. Because the developed countries have a stronger industrial and agricultural economy than the rest of the world, they produce far more goods than the poor-nations....¹²²

From the forgoing discussion it is humbly submitted that, the actual reasons for the formation of the WTO was far from ordinary free flow of and/or liberalisation of trade among nations, but one of colonisation tendency of African trade and economy by the developed nations. The low industrial status of African countries is greatly affecting and debarring them from getting the optimum benefit from the WTO. Vast part of the WTO

¹²⁰ Michael, T, Donald, L, *A History of Africa 1840-1914* (London: Edward Arnold Publishers, 1980), p:6

¹²¹ W. Rodney, *op. cit.*, pp:18-19, see also Olokooba S.M, *op. cit.*, p.204

¹²² *Ibid*, p.205

programmes are directly beneficial to the developed countries with less than average positive effect or benefit to African members in the world trade policy making.

Trapped in a global turbulent characterized by imperialism and neo-colonisation, poor countries are left with little to sell but their blood though cheap labour devoid of any significant benefit for African people and their environment. Thus as observed by Adamu,¹²³ while Developed Nations "select location of their factory, plantation or mine, communities around the impoverished world vie for suspect opportunities to be the next expansion site for the global system of exploitation of natural resources for trade."¹²⁴ The situation of poor countries has been dubbed 'the global race to the bottom'¹²⁵,

Even though, the broadening of the scope of WTO law was to strengthen the enforcement mechanism of the membership rights,¹²⁶ but in actual fact, it's only the developing countries that are subjugated to the realms and caprices of the WTO demands. Consequently, by the subscription of African states to GATT and WTO agreement, they have willingly subjected themselves to another colonial subjugation, authority and neo-colonisation of African trade. Therefore, all steps and activities that may serve as clogs or that may be inconsistent with the promotion of the Western economic agenda i.e. restriction on import, tariff and local subsidies on farm produces and other protective measures of local farmers and manufacturers are now being fought to be eliminated by the West.

The devastating effect of this is that, African countries trade policy will naturally disappear into oblivion, local economic politics will be dead and invariably, what will follow will be a complete destruction of local control of African trade and economy by the Africans which simply and literally translate to the fact that; in the global trade policy making, the status of African membership of the World Trade Organisation remains irrelevant.

CONCLUSION AND RECOMMENDATIONS

Almost all the World Trade Organisation's programmes when reviewed critically are having one negative effect or another on the economic strive of African Nations. There are more biased politics in the policies of the World Trade Organisation against African States and the level of African development as of this century is yet to coop with the West. The effort to also use domestic tax regime to turn things around seems not to be functional either. To check and improve this situation, this study recommends for the unification of African member states to check and lobbied against the introduction of

¹²³ See Adamu Adamu K.U 'The Law and Policy of Trade Liberalization and the Rise in Environmental Degradation and Global Terrorism', *Ahmadu Bello University Journal of Commercial Law*, vol.5., No. 1, 2010-2012, p.4

¹²⁴ *ibid*

¹²⁵ Hossay P. 'Unsustainable: A Primer for Global Environmental and Social Justice', (Pub.Zed Books, London & New-York, 2006), p.132., see also *ibid*, p.4

¹²⁶ As enshrined in XVI 4 of the WTO Agreement

any new issues that will be detrimental to African trade and development. Similarly, the amendment of Article III paragraph 1 in GATT is also necessary to give effect to the functionality of the internally controlled tax regime of goods, trades and services imported into the developing countries. Doing this will afford the developing member nations of the WTO to have greater avenue for revenue generation to facilitate and actualise their developmental plans.

Even though the broadening of the scope of WTO law was to strengthen the enforcement mechanism of the membership right,¹²⁰ but in actual fact it is only the developing countries that are subjected to the regime and members of the WTO demands. Consequently, by the substitution of African states in GATT and WTO agreement, they have willingly subjected themselves to another colonial exploitation, authority and neo-colonialism of African trade. Therefore, all steps and activities that may serve as a check or that may be inconsistent with the promotion of the Western economic agenda i.e. restriction on import, tariff and local subsidies on farm products and other protective measures of local farmers and manufacturers are now being sought to be eliminated by the West.

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¹²⁰ See Robert K. O. The Law and Policy of Trade Disputes and the Role of International Dispute Resolution, African Development University Journal of Law and Economics, vol. 2, no. 1, 2010-2011, p. 13.

¹²¹ Ibid.

¹²² Ibid.

¹²³ Ibid.

¹²⁴ Ibid.

¹²⁵ Ibid.

¹²⁶ Ibid.

¹²⁷ Ibid.

¹²⁸ Ibid.

¹²⁹ Ibid.

¹³⁰ Ibid.