

<b>The Trade Perspective</b>	<b>The Environmental Perspective</b>	<b>The Development Perspective</b>
Trade creates the wealth that could be used to increase human well being.	The status quo of increased global economic activity with resulting environmental damage seriously threatens the earth's ecosystem	Over one-fifth of the world's populations live in absolute poverty, most of them in developing countries and the gap between the rich and poor countries continues to widen. Developing countries' top priority should be reducing poverty and narrowing the gap.
But most national governments answer too directly to national industries, and will try to preserve domestic markets for these industries, keeping foreign competitors at bay.	But most national governments answer too directly to national industries, and will try to protect them against "costly" environmental demands.	Openness to trade and investment may be a keyway to do so, by increasing exports, though the links between openness and economic growth are not automatic.
In doing so, governments make their citizens worse off: domestic firms become inefficient, domestic consumers pay higher prices, and more efficient foreign firms are shutout.	In doing so, governments make their citizens worse off: domestic firms make profits, but the public subsidizes them by paying for the cost of environmental degradation.	But rich countries protect their industries with subsidies; special trade rules and tariffs systems that hurt developing country exporters.
The best protection is a strong system of rules against such behavior, such as WTO rules, by which all countries abide.	One way to avoid these problems is a strong system of rules spelling out clearly how environment shall be protected, at the national and international levels.	The best solution is a strong set of multilateral rules against such behavior, but current WTO rules are too deeply influenced by the powerful trading nations, and liberalization has selectively benefited sectors of interest to developed countries.
Even after signing such agreements, countries will look for loopholes. Banning or restricting goods on environmental grounds may be one such loophole.	Even after such rules are in place, governments and industry will look to scuttle them. Trade rules forbidding certain types of environmental regulations may be one way to do so.	Over time, as such behavior is outlawed by trade rules, rich countries will look for new ways to keep foreign competition out of their markets. Banning or restricting goods on environmental grounds may be one of those ways.
Trade can actually be good for environment, since it creates wealth that can be used and less waste produced.	Trade means more good produced and thus in many cases more environmental damage. The wealth created by trade will not necessarily result in environmental improvements.	Demands that poor countries comply with rich country environmental standards are unfair, particularly if they are not accompanied by technical or financial assistance. Priorities differ; for example, in many poor countries clean water is paramount. And rich countries often cause most of the environmental damage in the first place.