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HEADLINE: The Doha round is missing the point on helping poor countries JOSEPH STIGLITZ and ANDREW CHARLTON

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Tony Blair, prime minister, and a vast chorus of world leaders have warned that the possible failure of the Doha trade talks would be a catastrophe for the world and a lost opportunity to alleviate poverty in developing countries. However, as the parameters of a possible deal are hammered out in back-room meetings, we should remember that the content of the agreement matters more than the agreement itself. As it stands, the Doha round is rushing headlong - if any trade agreement can be described as "rushing" - towards a conclusion that would do very little for the poorest countries.

The current log-jam centres on the European Union's offer to reduce its agricultural tariffs on condition that developing countries agree to open their manufacturing and services sectors. This offer is the brainchild of Peter Mandelson, EU trade commissioner and veteran political tactician. He recognises that either the developing countries will accept the pact, in which case he can claim to have delivered a win for Europe's exporters, or they will reject it, in which case he can saddle them with the blame for the failure of the round.

Unfortunately this agriculture for services and manufacturing deal is an entirely wrongheaded way to frame the negotiations. For one thing, it is misleading to present European agricultural liberalisation as a concession to the developing countries. The Common Agricultural Policy is an unsustainable system that cheats European taxpayers and consumers and is running foul of Europe's expansion and reform agendas. Since 2003 it has been on the brink of collapsing under its own weight. Mr Mandelson has done a brilliant job of repackaging the inevitable reforms to the CAP as a concession to the poor countries - but it is surely too much for him to ask them to offer concessions in return.

Second, it is inappropriate for the largest and richest countries to be demanding a quid pro quo from the poorest. The developing countries are in no position to bargain with the superpowers. Demands for reciprocity ignore the egregious unfairness of the world trade system, which over 50 years has reduced tariffs on goods of export interest to the rich countries and protected goods that should be exported by the poor countries.

Mr Mandelson's deal is also based on the assumption that poor countries should satisfy themselves with being agricultural suppliers to rich nations. It asks developing countries to expose their manufacturing industries to competition from more advanced and larger economies, potentially throwing those workers into unemployment, and it asks them to forgo attempts to promote their own service sector industries. A trade agreement that would restrict the policy options of developing countries is not the best to promote long-term industrialisation.

Finally, in spite of the predominance of agricultural issues in the development agenda, many of the poorest countries actually have very little to gain from agricultural reform in the short run. While liberalisation offers clear benefits to agricultural powerhouses such as Australia and Brazil, most of the poorest nations are net food importers. Reductions in subsidies will increase the price they pay for imported commodities, leaving them worse off in the short run. Also, most of the poorest nations are beneficiaries of special schemes granting them free market access to European and US markets. These countries are exempt from tariffs on their exports, so tariff reductions would only benefit their competitors' exports at their expense.

The rich countries often quote grandiose estimates of the potential gains from a successful conclusion to the round in attempts to weaken the resistance of sceptical developing countries. However, the size of the gains resulting from the round cannot be known until the nature and scope of the reform programme is determined in the final agreement. As the round becomes less and less ambitious, the potential economic benefits are becoming smaller and smaller.

There is much that could be done by the World Trade Organisation to promote development and deliver gains to poor countries. But few of those things are included in the emerging agenda.

Our book Fair Trade for All details what a true development round would look like - one that reflects the interests and concerns of the developing countries and is designed to promote their development. Our conclusion is that there is broad agenda beyond agriculture that would deliver benefits to the poorest countries, but which has been almost entirely ignored in the Doha round.

There is much that could be done to reduce tariffs on industrial goods. The structure of rich countries' tariffs is heavily biased against the goods exported by poor countries, particularly labour-intensive industrial goods and processed foods. Rich countries collect tariffs four times higher on their imports from poor countries than on imports from other rich countries. There is also much that could be done to increase the mobility of workers. Migration - particularly temporary schemes to allow workers from developing countries to work on short-term projects in rich countries - would enable workers from poor countries to fill labour shortages in rich countries and send part of their pay back to their families. The flow of remittances from migrant workers in rich countries is an important source of development finance and now exceeds total aid flows from rich countries.

Finally, the Doha round needs to get serious about "aid for trade". In recent years the EU and US have slashed tariffs to the poorest countries under special schemes granting them free market access. Yet despite the good intentions behind these schemes, we have witnessed almost no increase in the volume of exports from beneficiary countries. This experience belies the rhetoric of politicians who espouse the virtues of trade over aid. Market access is not enough. Without assistance to overcome gaps in infrastructure, boost product quality and connect to international supply chains, tariff cuts have little effect on trade from the poorest nations.

In Doha in 2001, the developing countries were promised a "development round", one that would redress the imbalances of the past and create opportunities for the future. But what has emerged since then clearly does not deserve that epithet. The irony is that both the rich and poor countries could benefit from a fair and development-oriented agenda. We should be content with nothing less.

Joseph Stiglitz won the Nobel Prize in economics in 2001 and was chief economist and senior vice-president of the World Bank 1996-2001. His new book, Fair Trade for All: How Trade Can Promote Development, co-authored with Andrew Charlton of the London School of Economics, is published this month by Oxford University Press