

The WTO Has Failed as a Multilateral Agency in Promoting International Trade

Written by Ed Yates

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<https://www.e-ir.info/2014/04/29/the-wto-has-failed-as-a-multilateral-agency-in-promoting-international-trade/>

ED YATES, APR 29 2014

Introduction

Any attempt to explore the question of whether the World Trade Organisation (WTO) has succeeded or failed as an effective multilateral agency in promoting international trade is predicated on an understanding of what is meant by 'failure' as well as an agreement on what the normative aims of trade should be. The question that must first be asked is: what should trade policy hope to achieve? An oversimplification of the debate surrounding trade is that it should have the aim of either a) increasing gross domestic product (GDP), as it is from this that all other societal benefits develop. An alternate position is that b) trade policy can be much broader in its aims and can take into consideration notions of equitable, just and sustainable development as well as paying attention to labour and environmental concerns. This work shall seek to argue that the WTO has failed precisely because it has been a success, a seemingly paradoxical statement that will require explanation. From the perspective of elite interests in the developed Western world, the WTO has succeeded. However, from the perspective of the billions of impoverished people in the developing world, the WTO has failed.

In 1995 when the WTO was established world trade as a percentage of GDP was at 44%. In 2013 the figure stood at 56%.^[1] However, causation in the global economy is difficult to discern, and it is possible that the establishing of the WTO and the increase in world trade are unrelated and merely correlative. What is more empirically discernible is that in the same period, much of the developing world has experienced both a drop in 'trade share'^[2] and reduced levels of growth. From a developmental perspective, it is vital therefore to examine the policies of the WTO in order to understand what impact they may have had on the developing world,^[3] and by doing this a very clear image comes into focus.

From a developmental perspective the WTO has been an abject failure. The WTO could be defined as successful from the perspective of elite Western groups and elites in parts of the developing world, but this is success that only benefits those who already have great wealth and power. This is because the WTO is structured and ordered in such a way so that it does not promote genuine free trade. Rather, it promotes 'monopolistic competition' in which powerful actors are at a huge and perpetual advantage.^[4]

From this, the question of whether the WTO 'promotes trade' can be viewed as being too narrow. What is important is what impact the WTO's trade policies have; trade may boom, but if this has a negative impact on developing countries, then it is clearly a failure. The question should always be 'who benefits?' In the case of the WTO, it is global elites who have benefitted; WTO policies protect and maintain elite interests, facilitating profitable capital accumulation whilst simultaneously preventing pressure from the global South hampering this process. This work shall seek to demonstrate how the WTO has failed, using the aforementioned definition of failure, by demonstrating how the WTO is institutionally structured so as to benefit these elite interests. In addition, it will then be demonstrated how this structure is supported by an onto-epistemological framework that is not in the interests of the developing world and which sustains the prevailing structure. This is manifest in both the failure of the WTO to incorporate labour standards into trade policy and in the adoption of trade policies which are driving Southern states into competition with each other, thereby preventing them from uniting against Western economic hegemony. Finally, the failure of the

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WTO will be demonstrated by comparing it to instances in which trade has been conducted under more fair and equitable conditions, namely the US-Cambodian Free Trade Agreement and ALBA, the Bolivarian Alliance for the Americas.

Institutional Failings of the WTO

The WTO emerged out of the Marrakesh Agreement, which concluded the Uruguay Round of negotiations of the General Agreement on Tariffs and Trade (GATT), formally replacing the GATT. The WTO must therefore be seen as a continuation of the GATT rather than a radical disjuncture, and like the GATT the purpose of the WTO is trade liberalisation. The GATT itself was developed by Western powers with an explicit, limited aim, which was predominantly to benefit the US and Europe in the aftermath of the Second World War, an aim that has been ignored in mainstream accounts of the agreement.[5] When the GATT was established it was Western powers that had the main input, possessing what have been called 'first mover advantages',[6] a term which refers to the notion of the states which join first finding it easier to influence and shape negotiations. Former colonies which joined were subject to a process of 'grandfathering'[7] in which they were instructed what to do by their former colonial masters. There were very few trade-related benefits for the developing world in early years due to the limited influence late-joining developing countries could exert on proceedings. This fundamentally unbalanced system continues in its current manifestation in the form of the WTO, as shown in its numerous actions and agreements which have been detrimental to the development of trade policy that would be of benefit to the developing world.

The WTO suffers from numerous negative institutional problems inherited from the GATT era that cause it to be unable to function as a fair or effective multilateral trading system. These, along with 'discursive barriers', 'preclude any discussion of substantive reform of the multilateral trading system',[8] which suggests that the WTO is flawed in both its institutional structure and due to the theoretical discourse that supports the WTO. In looking at how decisions are made, there is clearly not an equality of decision making power in the WTO, as the 'trading system is still to a large degree a power-based as opposed to a rules-based system'.[9] Whilst there is formally a one-member, one-vote system in the WTO, it has never been used,[10] and as is the case in most international governance institutions, the interests of the powerful dominate. This is clearly problematic; weaker states are in a position where they cannot influence the way in which trade agreements are reached, which can be manifest in several ways, from basic resource issues such as the inability 'to establish permanent delegations in Geneva',[11] which means exclusion from day-to-day administrative WTO activity, through to exclusion from the many "informal" (a euphemism for non-democratic) decision-making sessions that occur within the WTO through 'green room deals' and 'confessionals',[12] which are frequently lacking in transparency.[13]

In the instances in which developing countries have to be included in talks, decision making has often been described as 'coercive',[14] the Doha Round in particular being an example of 'overt power politics [in which the] rich pressured the poor'.[15] The undemocratic nature of these discussions was reflected in where they were geographically situated, arguably chosen as rich countries did not want media scrutiny and protest of their actions by opposition groups, as occurred in Seattle.[16] The Doha Conference, rather than being about development, actually 'enhanced the asymmetry [of power] in the WTO'[17] by focusing on issues that were of benefit to developed countries and limiting the 'policy space'[18] (another term for sovereignty) of developing countries. The ability of developing countries to use tariffs, restrict liberalisation and benefit from the R&D of foreign firms operating within their borders would all have been reduced by WTO proposals at Doha, with 'little benefit in return'[19] for developing countries, exacerbating power asymmetries and increasing the unlikelihood of any equitable trade policy being developed.

The very process by which negotiations are conducted act as barriers to effective trade promotion for the developing world. WTO negotiations – the successive 'rounds' – occur as a series of 'iterated games'[20] in which developing countries are often forced into accepting 'new concessions in return for remedial actions'[21] on earlier decisions. For example, developing countries accepted the Trade-Related Aspects of Intellectual Property Rights (TRIPs) agreement in 1996 in exchange for 'modest' agricultural liberalisation in the form of access to Western markets.[22] Again, the issue is one of material capability as poorer countries often have less ability and skill in complex trade negotiations, as well as having much more to lose – namely, access to developed countries' markets. Such problems

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are compounded by the 'single undertaking',[23] a negotiating tool which means all participants have to comply with everything that is decided, causing power asymmetries to become perpetual[24] between developing and developed nations, an inequality that is exacerbated by the way in which problems at the WTO are 'resolved', which is through the Dispute Settlement Understanding (DSU), a costly process which 'results in procedural rules that favour developed economies'.[25] A large part of the problem is that the ultimate response in any trade dispute is 'retaliation' in the form of punitive trade measures. However, the economic and political risk is much greater for poorer nations, as richer nations will be less affected by penalties or sanctions,[26] hence power ultimately always being with the wealthier nations.[27]

This, along with various other institutional arrangements, means the WTO has been predominantly of benefit to the West, hence the WTO's longevity being assured.[28] This leads to the argument, which has empirical weight, that WTO was developed explicitly with a dualist aim of 'managing Western trade rivalries' and 'containing the South'[29]. This is done, as stated, by oligarchic Western dominance and the absolute focus on liberalised trade in such a way that assures privileged Western access to Southern markets, in ways which are often 'antithetical'[30] to Southern aims and do not result in fair or equitable trade results.

Theoretical failings of the WTO

In addition to the WTO being institutionally structured to favour the powerful, there is also the problem of the dominance of the theoretical discourse of neoclassical, laissez-faire economics with its commitment to trade liberalisation. As its statement of principles declares, the WTO maintains a commitment to the 'opening of national markets to international trade'.[31] Neoclassical theory is manifest in neoliberal economic policy and is predicated on the seemingly *a priori* assumption that free markets will allow nations, acting on their various competitive advantages, to achieve GDP growth. Neo-classical economic orthodoxy at the WTO is built on this assumption, leading to hostility towards anything that may interrupt the free-functioning of markets. This 'implicit belief in the benevolence of free trade'[32] is, however, fundamentally flawed in two major areas which are not considered in the operations of the WTO, leading to its failure to promote trade that aids development.

Firstly, and most importantly, the WTO often promotes trade liberalisation exclusively for poor, developing countries whilst maintaining protectionist policies for rich countries, examples of this being the Agreement on Agriculture, TRIPs and the Agreement on Trade Related Investment Measures (TRIMS).[33] TRIPs are problematic with regard to development in that they give 'exclusive rights' of use to the holders – generally Western firms – leading to the likelihood, as often occurs, of exploitative usage. For example, holders of intellectual property rights (IPRs) on pharmaceutical products prevent independent development of generic, low-cost drugs, leading to monopolies developing rather than fostering genuinely 'free' trade. Whilst there are conditions in WTO policies for IPRs to be overruled in cases of anti-competitive practice or national emergency, such rules are complex and open to interpretation by Western corporations with substantial legal resources.[34] Such a discrepancy between WTO rhetoric and reality have led to India's former representative to the GATT stating that IPRs are designed to protect the 'investments of multinational corporations'[35] in order to ensure the maintenance of 'monopoly profits'.[36] What is evidenced in WTO trade policy in this area is that it is designed to protect advanced Western sectors, leading to a dependency trap for poor countries that are forced to buy these foreign products rather than innovate domestically, thereby limiting the possibility of domestically produced goods being incorporated into a trade policy that furthers development and industrialisation.[37]

Secondly, there is overwhelming empirical evidence that trade liberalisation does not lead to sustainable growth and that developing countries which adopt protectionist trade policies actually develop quicker than those which liberalise their economies, for example South Korea[38] and China.[39][40] This was very much the case when now-developed countries (NDCs) were developing their infant industries; protectionist tariffs were implemented to prevent foreign competition.[41] It was only when these economies had become developed that they began to advocate free-trade for other nations, a policy rightly referred to as 'free trade imperialism'[42]. This NDC strategy of utilising protectionist trade policy to develop and then preventing other countries to do the same and forcing them to liberalise has been described as 'kicking away the ladder'.[43] This is the unofficial strategy of the WTO and other International Organisations (IOs), such as the World Bank and International Monetary Fund, and has been for numerous decades.

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It has hampered independent attempts by countries in the global South and has been further exacerbated by the 'productivity gap' between rich and poor countries that is approximately fifteen times higher[44] than in the 19th century[45] and has become worse since trade liberalisation was accelerated through IOs advocating implementation of neoliberal policies from the 1980s. Such a discrepancy has led to respected heterodox economists[46] arguing for protectionism for developing countries: 'WTO rules and other multilateral trade agreements should be re-written in such a way that a more active use of infant industry promotion tools is allowed'.[47]

It is difficult to discern to extent to which those working within IOs believe their own theories as opposed to the extent to which such theories are utilised to justify economic imperialism. It is fair to say that in the WTO a 'normative preference for free trade is conveyed subliminally' in that it is presented as self-evident that liberalisation is better than protectionism as a trade policy.[48] However, individual and group intentions are difficult to discover, and it is often more useful to look at what material changes actually occurred. With regard to international trade, it is possible to witness an increase in global competitiveness and increased levels of inequality since the demise of embedded liberalism and the emergence of neoliberalism following the sabotage of the Bretton Woods system in the mid-70s.[49] In this era alternative organisations for developing trade policy, such as the United Nations Conference on Trade and Development (UNCTAD), dwindled in influence[50], leading to the WTO being the 'only game in town'.[51] This further led to countries in the global South being 'disciplined', rather than developed, as a result of trade policy,[52] which has resulted in increased South-South competition.

Divide and Rule?

Quite often there is the misconception that competition over production of labour intensive-goods is between Northern and Southern countries; this is now largely untrue, as Northern countries cannot compete with low wages in the South in labour intensive sectors (hence it has moved to exercise monopolies in other trade areas, e.g. IPRs).[53] The reality is that now competition in labour-intensive sectors is increasingly between Southern states,[54] a situation that the policies of the WTO have exacerbated as Southern nations attempt to gain access to profitable Western markets. This South-South competition can be witnessed with the ending of the Multi-Fibre Agreement (MFA),[55] which has further intensified competition. The MFA was, from its inception, overtly '[discriminatory] solely against developing countries'[56] in that quotas on textiles and clothing imported into developed countries were applied only on imports from developing countries, not on imports from other developed countries. This is symptomatic of the tariff barriers that LDCs face, as tariff peaks for developing countries are four times larger than developed countries on key others to the developed world.[57] The ending of the MFA would then appear initially to be a move toward a more equal trading system, but this was not the case. In reality, MFA was not ended because it was 'unfair', but because ending it gave developed countries even greater leverage in negotiations on TRIPs/TRIMs,[58] which are of great importance for continued Western capital accumulation as Western economies move to be increasingly high-skilled and knowledge based.

As well as the ending of the MFA being for malevolent reasons, there is the problem that it is predominantly only China and India that will benefit from liberalisation. The MFA quota system meant firms based in China and India, which were subject to stringent quotas, outsourced to 'second tier' suppliers in countries such as Bangladesh that were not subject to such rigorous quotas.[59] Liberalisation has meant countries such as Bangladesh and numerous African states have to compete directly[60] with China and India, intensifying South-South competition and leading to division and stratification amongst poor nations who, under different circumstances, could form a unified bloc against Western economic hegemony if popular domestic pressure were exercised.

Currently, it is likely that only a particular section of Chinese and Indian society, namely pro-Western elites, will benefit from this GDP growth, as can be witnessed in China, which has seen spectacular GDP growth in recent decades accompanied by a massive rise in economic inequality.[61] Poorer elements of these societies do not benefit; there has been no average increase in wages in China, despite increased Western investment.[62] Rather, evidence suggests that a 'race to the bottom' may be occurring with regard to both wages – which have declined in many areas[63] – and labour standards due to a lack of enforced labour regulation. Indeed, evidence of the dominance of Chinese and Indian society by business elites is demonstrated (and the issue of trade policy further

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problematized) by the unwillingness of these countries to adopt labour standards, standing in opposition to the idea of implementing a 'social clause'[64] into international trade agreements due to the fear that 'footloose' textile and other manufacturing capital will relocate elsewhere.[65]

The WTO and (the lack of) International Labour Standards

Increased South-South competition is explicitly linked to labour standards. More accurately, it is linked to the failure of the WTO to promote trade arrangements that foster improvements in labour rights in developing countries. There is currently no agreed upon multilateral 'social clause' in international trade, meaning that the WTO '[does not] include any protection for labour rights'[66] or arguably see '[any] role for internationally-agreed labour standards'.[67] This presents a major obstacle for the development of equitable and progressive trade policy and is indicative of the WTO's failure, which has occurred for numerous reasons. However, part of the problem in failing to implement labour standards has been due – along with the lack of any substantive Western elite action – to certain powerful developing countries, again including China and India.

Debates over the incorporation of international labour standards (ILS) into international trade have been dubbed the 'Singapore Issues', as they grew out of 1996 Singapore Ministerial Conference. During this conference minimum labour standards were discussed; however, some developing nations regarded them as 'non-tariff barriers' to trade,[68] resulting in the issue being passed to the International Labour Organisation (ILO).[69] Shifting responsibility in this way is problematic and will not lead to improved global trade, as the ILO lacks any real coercive or material power, limited as it is to attempting 'moral suasion' and providing 'technical assistance'.[70] In this respect it is very different to the WTO, which could utilise trade sanctions as a more powerful weapon to 'deter abuses' of labour standards, if such standards were multilaterally agreed upon and implemented.[71]

Such a failure by the WTO is unfortunate, as the incorporation of labour rights in international trade could be the way in which trade could be used to foster development and raise the living standards of workers, initiating a 'race to top'[72] vis-à-vis standards as opposed to a race to bottom. Indeed, this could be the main way in which trade could be reformed in such a way as to benefit the majority of people in developing countries rather than an elite minority. Improvement of labour standards could occur initially via the adoption of international labour standards – for example the 1998 fundamental standards laid out by the ILO.[73] However, even this would be problematic, as they are liberal rights and do not address more substantive rights, for example a suitable living wage, which would have more of an impact in improving material qualities of life in developing countries.

There is therefore the problem of even these limited ILS being implemented due to a lack of willpower from ostensibly supportive sections of developed countries[74] and outright hostility from other sections,[75] including many transnational corporations – described as the 'biggest challenge to labour law'[76] – which are united with elites in many developing countries in opposing labour standards, arguing that such standards would reduce profitability. However, ILS would actually foster competitiveness, leading to 'dynamic efficiency' and increased productivity, something that is missed by opponents. Reasons for this are various. It is possible that developing countries fear that they would be used by the West as a form of non-tariff barrier, as previously stated. In a sense it is understandable for developing countries to fear the loss of any potential threat of sovereignty; past experiences are evidence that Western powers do not act altruistically. However, this is a limited criticism, a 'symbolic [criticism]'.[77] In actuality it is often material factors that prevent labour standards being adopted,[78] as unrepresentative governments of developing countries are concerned about reduced economic growth along with the worry that increased labour rights would be strengthen the power of trade unions, traditionally a site of oppositional political power and more representative of the poor majority in developing countries than governments.

Such criticisms of labour rights can be countered by stating that there are examples of labour laws being implemented that are of benefit to wide sectors of society, for example those contained within the US-Cambodia Free Trade Agreement.[79] The WTO has the power to implement this type of system on a multi-lateral level. However, this would require major reform of the WTO as an institution. As this work has hopefully demonstrated, in its current form it is an illusion[80] that WTO decisions are consensual; power-politics prevail. Similarly, in the US-Cambodia FTA, despite its benefits, there is a clear power asymmetry between US and Cambodia, with the US being firmly in

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control at all levels; the agreement from this perspective can be viewed as being some form of benign economic colonialism, and it must be remembered that this particular FTA was the result of US efforts to exploit a tariff loophole, it is therefore the exception rather than the rule.

Conclusions

The problems that have been expounded in this work highlight the need for a more nuanced understanding of the WTO. The fundamental problem of the WTO is that it is dominated by powerful, elite interests. This why WTO can never achieve real substantial change or progress for developing nations. Anything the WTO does is constrained and limited, to borrow Robert Cox's notion, to problem solving within the current trade system rather than ever attempting fundamental, critical alternatives.[81] Equally importantly, the WTO must be situated globally; it is an institution that exists within the global capitalist system and fulfils a role – like other IOs – in maintaining the functional conditions for capitalist accumulation within that system. Understanding the WTO in this way allows a critical understanding that is more nuanced than simple North-South competition and explains the successes of elite actors globally. However, WTO policies do overwhelmingly lead to the immiseration of much of the global South, as rising levels of global inequality show. WTO behaviour is re-enforced and sustained, as stated, by the dominance of a particular theoretical discourse that is propagated by elites to the rest of the world, despite their failure to apply it in situations when it would be detrimental to their interests.

The complexity of the problem necessitates the need for a multi-faceted solution. Such a solution must be considered temporally; in the short-term, action can be taken to improve standards of living and foster development in the global South via the WTO taking real steps towards the incorporation and adoption of international labour standards into trade deals, utilising its vast coercive power in a positive manner. However, the long-term strategy must be a radical restructuring of the current international trading system that is constructed in such a way as to maintain power asymmetries.

Radical restructuring of the WTO has been posited as an alternative, with suggestions including a move towards 'multi-stakeholder model'[82] with real democratic capabilities. However, a cursory examination of the reforms of IOs that have occurred in recent decades seems to suggest a tendency towards less democracy and accountability and an even more disciplinary role in the global economy. The victories of neoliberalism in recent decades gives the appearance of there being 'no alternative' to the WTO-led system of trade; indeed, many regional and bi-lateral trade deals advance trade liberalisation at an even faster pace than the WTO.[83] However, real alternatives can exist, one of which being ALBA, or the 'Bolivarian Alliance for the Americas', described as 'Venezuela's answer to free trade'.[84] Developed by former Venezuelan President Hugo Chavez, ALBA sought to develop a regionalist counter-hegemonic trading bloc to challenge US-led capitalist hegemony in Southern America that has existed since the time of the Monroe Doctrine, as well as being a more equitable alternative to free-trade regimes for the region, such as MERCOSUR. ALBA fundamentally rejects the neoliberal foundations of the WTO and has been effecting real change for the poor, increasing access to healthcare and energy resources for citizens of participating countries. However, even in an organisation such as this, power is exercised hierarchically, and there is the risk that such a system can be appropriated by those with unjust aims, as has occurred in numerous developing countries in the past, as well-intentioned egalitarian populism can easily descend into kleptocratic authoritarianism.

What is necessary for any future trading system is that it is grounded in the will of the people of the countries which it is made up of, who are able to exercise the will through a collective and democratic decision-making process. Such a system is sorely needed, as the current WTO system, centred on profitable accumulation and completely void of any notion of the public good, is both theoretically and morally unsustainable.

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[1] World Bank Data Indicator URL: <http://data.worldbank.org/indicator> [30th April 2013]

[2] Ray Kiely. *The clash of globalisations: neo-liberalism, the third way, and anti-globalisation*. Leiden: Brill, 2005. p.127

[3] There are various analytical terms that are used to create a somewhat artificial dichotomy between rich and poor countries: North-South, Now Developed-Less Developed, and so forth. These terms are problematic, bounded as they are by a form of methodological nationalism. However, for the sake of convenience they will be used, and the terms 'Global South' and 'developing country' should be viewed as the same, despite the numerous Orientalist criticisms that could indeed raise.

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- [27] Lal Das. *The WTO* p 62
- [28] Wilkinson. "The Problematic of Trade and Development beyond the Doha Round." p171
- [29] Bello. "The iron cage" p.18
- [30] Bello. "The iron cage" p.18
- [31] World Trade Organisation *Statement of Principles* URL:
http://www.wto.org/english/thewto_e/whatis_e/what_stand_for_e.htm
- [32] Heron. "The Ending of the Multifibre Arrangement" p.6
- [33] Bello. "The iron cage" p.21
- [34] Kiely. *The clash of globalisations* p.120

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[35] A further hypocrisy is that quite often such research projects are heavily publically funded, leading to the socialisation of and risk but privatisation of profit, as Ha Joon Chang's work demonstrates.

[36] Lal Das. *The WTO* p60

[37] Bello. "The iron cage" p.20

[38] John Lie,. "The political economy of South Korean development." *International Sociology* 7, no. 3 (1992): 285-300. p.296

[39] UNCTAD, World Investment Report, New York: United Nations. 1998 p.183

[40] It must be noted, however, that in the case of both these countries, development was neither equitable nor free of human rights abuses.

[41] Ha-Joon Chang. "Kicking away the ladder: Infant industry promotion in historical perspective." *Oxford Development Studies* 31, no. 1 (2003): 21-32. p.30

[42] John Gallagher, and Ronald Robinson. "The imperialism of free trade." *The Economic History Review* 6, no. 1 (1953): 1-15 p.6. This phrase was used to refer to the Corn Laws, but it is apt, perhaps even more so, to describe contemporary western policy.

[43] Chang. "Kicking away the ladder"p.21

[44] Chang. "Kicking away the ladder"p. 30 - 'Throughout the 19th Century...the ratio of per capita income in PPP terms between poorest and richest NDCs was about 4 to 1...Today [it] is typically in the region of 60 to 1.'

[45] The World bank does not take this into consideration in its attacks on LDC protectionism and tariffs.

[46] Recently, formerly fervent advocates of free market economics such as Milton Friedman have also recently come to accept that the rate of western structural reforms of the developing world was excessive, with Friedman himself stating that the IMF effectively caused the east Asian crisis. See James H Mittelman,.*The globalization syndrome: transformation and resistance*. Princeton University Press, 2000. p.233

[47] Chang. "Kicking away the ladder"p.30

[48] Wilkinson. "The Problematic of Trade and Development beyond the Doha Round." p176

[49] Lal Das. *The WTO* p.45

[50] Ian Taylor and Karen Smith. *United Nations Conference on Trade and Development (UNCTAD)*. Vol. 17. Psychology Press, 2007. p.5

[51] Wilkinson. "The Problematic of Trade and Development beyond the Doha Round." p170

[52] Lal Das. *The WTO* p.80

[53] Robert JS Ross and Anita Chan. "From North-South to South-South-The True Face of Global Competition." *Foreign Affairs*. 81 (2002): 8.10 p.12

[54] Ross and Chan. "From North-South to South-South" p.8

[55] Heron. "The Ending of the Multifibre Arrangement" p2

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- [56] Heron. "The Ending of the Multifibre Arrangement" p.4
- [57] Kiely. *The clash of globalisations* p. 180
- [58] Heron. "The Ending of the Multifibre Arrangement" p4
- [59] Heron. "The Ending of the Multifibre Arrangement" p11
- [60] Heron. "The Ending of the Multifibre Arrangement" p12
- [61] Albert Park and, Sangui Wangb "China's poverty statistics". *China Economic Review* 12.4 (2001). 384-398 p. 389
- [62] Park and, Sangui Wangb "China's poverty statistics". P. 390
- [63] Heron. "The Ending of the Multifibre Arrangement" p16
- [64] Anita Chan. "Racing to the bottom: international trade without a social clause." *Third World Quarterly* 24, no. 6 (2003): 1011-1028 .p.1016
- [65] The idea of capital being footloose is one of many weak arguments put forth by advocates of trade liberalisation to prevent regulation or capital controls. In actuality, there are many limitations to capital, particularly manufacturing capital, leaving a country when established there. See Werner Sengenberger, *Globalization and Social Progress: the role and impact of international labour standards*. Friedrich-Ebert-Stiftung, 2002
- [66] Sandra Polaski, "Protecting labor rights through trade agreements: An analytical guide." *UC Davis J. Int'l L. & Pol'y* 10 (2003): 13.14 p.18
- [67] Werner Sengenberger, *Globalization and Social Progress: the role and impact of international labour standards*. Friedrich-Ebert-Stiftung, 2002. p.5
- [68] Stephen Woolcock, "The Singapore issues in Cancun: a failed negotiation ploy or a litmus test for global governance?." *Intereconomics* 38, no. 5 (2003): 249-255. p.250
- [69] Clyde Summers "Battle in Seattle: Free Trade, Labor Rights, and Societal Values, The." *U. Pa. J. Int'l Econ. L.* 22 (2001): 61.63-90 p.80
- [70] Sengenberger *Globalization* p. 7
- [71] Ross and Chan. "From North-South to South-South" p.13
- [72] Sengenberger *Globalization* p.30
- [73] ILO *Rules of the Game: a brief introduction to International Labour Standards* Geneva, ILO (2009)
- [74] President Clinton supported a very narrow and limited form of labour regulation during the Seattle meeting.
- [75] Sengenberger, *Globalization* p.13
- [76] Summers "Battle in Seattle" p.80
- [77] Summers "Battle in Seattle" p.76

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[78] Summers "Battle in Seattle" p.77

[79] The US-Cambodia FTA is an example of tying trade to labour standards to bring about a 'race to the top'. See: Don Wells, " 'Best Practice' in the Regulation of International Labor Standards: Lessons of the US-Cambodia Textile Agreement." *Comparative Labor Law & Policy Journal* 27.3 (2006): 357 For detailed analysis.

[80] Summers "Battle in Seattle" p.70

[81] Robert Cox "Social forces, states and world orders." *Neorealism and its Critics* 207 (1986) p.50

[82] Jens Martens. "Multistakeholder partnerships: Future models of multilateralism." *Occasional Papers. Dialogue on Globalization. Friedrich Ebertstiftung, Berlin* 29 (2007). p.6

[83] Kiely. *The clash of globalisations* p.119

[84] David Harris and Diego Azzi. "ALBA-Venezuela's answer to" free trade": the Bolivarian alternative for the Americas." (2009) p. 17

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Date written: June 2013