The Problem: World Trade Organization

The World Trade Organization was created in 1995 and inherited much from its predecessor, the General Agreement on Tariffs and Trade. Established by the then leading economic powers, the institution is geared to act in their interests.

‘… if WTO performance is measured as the institution’s capacity to act as a strategic device to maintain and exacerbate the advantages of a group of industrial states over their less powerful and developing counterparts … then it has actually been quite successful, albeit undesirably so.’
(Rorden Wilkinson)

‘Developing countries as a group have consistently been net losers in the multilateral trading system.’
(Rorden Wilkinson)

‘Institutions reflect a particular bias, allowing access to some interests while denying it to others and encouraging and highlighting some points of view at the cost of others.’
(Bulmer and Burch in Wilkinson)

Implications: Doha Trade Round stalled for various reasons

The current trade round has reached an impasse as developed and developing states fail to reach a compromise on several major issues:

‘The scheduled conclusion of the current round of trade negotiations – the so-called Doha Development Agenda – is more than six years overdue and the end is not yet in sight.’
(Rorden Wilkinson)

What the world is doing about it: Stalling

Early in 2011, Pascal Lamy, director of the World Trade Organization, urged member states to reconvene the Doha Development Trade Round. As of yet no moves have been made to re-open the talks.

What the research suggests: Reforming the World Trade Organization

Given the vested interest of the elite within the World Trade Organization little is likely to change. Whilst recognizing this, Wilkinson argues that wide-ranging reform of the institution is necessary.

“There is a pressing need to reform the institution fundamentally to rebalance the economic opportunities afforded to developing countries.” (Rorden Wilkinson)