



Living Up to the "Never a Round Again" Promise

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There was a great deal about the outcome of the Uruguay Round of trade negotiations that did not make me happy. An important exception was the promise that the creation of the World Trade Organization would end forever the need for any future "rounds" of negotiations. One of the great promises of the Marrakech Accord was that the creation of a permanent WTO would lead to orderly, civilized negotiations on an on-going basis, instead of the Uruguay round.

Unfortunately, this has not turned out to be the case. This promise seems to have been either overly optimistic or intentionally misrepresentative, perhaps in hopes of boosting chances for U.S. Congressional approval of the final outcome. Like other predictions and promises made to secure support for the final outcome of the talks, the difference between the promise and what has actually happened is coming back to haunt us.

Like many others, I am already fully occupied dealing with the still unfinished business from the Uruguay Round. I do not want to spend precious time debating the merits of a new round. I think we should be asking the WTO to live up to the "never a round again" promise from Marrakech. Let me explain why I feel so strongly about this.

First, the thin ranks of trade negotiators and civil society groups working on trade issues already have huge agendas in front of them - far more that can be well attended to under the best of circumstances. Adding something as gargantuan as a new round of comprehensive negotiations risks breaking the already fragile multilateral rules-based trading system and paralyzing the WTO.

Among the most important current trade concerns are the three major negotiations underway to address some of the unfinished business of the last round - the so called "built-in" topics of agriculture, services, and intellectual property. Each of these has turned out to be so conflict-ridden that virtually no progress has been made over the past five years of regular and sometimes quite intensive negotiations. In fact, arguably, the distance to a negotiated agreement is farther away now than when negotiators accepted imperfect compromises to conclude the Uruguay Round.

The idea that the world should just ignore this unfinished business and launch into at new round of comprehensive talks seems like denial. Perhaps that is the logic - since we cannot make progress on these hard subjects on their



own, let's roll them in with others and see what happens. It is hard to see how this could work. I prefer to focus on what we know are serious problems, like the explosion in export dumping of agriculture commodities, instead of on "pie in the sky" promises that a new round might magically solve them.

Beyond having their hands full with three major unfinished pieces of business, many of the trade negotiators and the staff at the World Trade Organization are busy handling a deluge of disputes that have to be sorted out as a result of the current rules. There are dozens and dozens of current and pending trade disputes that need urgent attention - some are over a decade old and with no resolution in sight. It is extremely doubtful that the already overworked staff at the fragile and beleaguered WTO could handle the added work of a comprehensive round of negotiations.

If the unfinished negotiations and backlogged disputes were not enough work to keep us all very busy, we also have the business of implementation of the WTO agreements to contend with. Compliance with the agreements made in the last round of talks is woefully inadequate. Commitments made in all areas of negotiations - from textiles and steel to agriculture and tropical products have been ignored, delayed, subverted, and in some cases turned upside down. In agriculture, for example, the US and Europe have doubled both agribusiness subsidies and export dumping, when the purported purpose of the agreement was to decrease subsidies and dumping. Concerning the Agreement on Trade Related Intellectual Property Rights (TRIPS), the United States is picking and choosing which elements it would like to enforce while bilaterally pushing for further TRIPS-plus reforms in other countries.

Given the amount of work already on the desks of trade negotiators, it is not surprising that many governments have signaled their opposition to the idea of launching a new round of comprehensive talks. In the United States, the lure of the Free Trade Area of the Americas and successful bilateral negotiations have a lot more appeal for the Republican Administration, which must go to the polls in a little over a year to defend a razor thin majority in Congress. Nothing could be more damaging to their chances of defending Republican House and Senate seats than the launch of a new round of trade talks. No President has been able to get fast track trade negotiating authority since the conclusion of the Uruguay Round, precisely because the public is not happy with the existing trade agreements. The politicians, much as they might support further trade deregulation, have to listen to their constituents when elections are so closely contested.

It's amazing to me that so many developing country governments are willing to speak up in their opposition to a new round, given the disgraceful use of threats by the World Bank, IMF and the European Commission - demanding that countries support a new round in exchange for loans or other forms of assistance. Apparently, the calculation shows that a new round of talks, with

inadequate staff and resources, would be worse than whatever retribution might be inflicted in exchange for resisting this pressure.

Almost everyone would like the Qatar Ministerial to be a success. But exactly what constitutes a success is hotly debated. For me, success would include at least three elements:

- 1) a thorough and honest review of the current state of play in the on going talks;
- 2) a careful and public assessment of the impact of the final agreement of the Uruguay Round, including issues relating to implementation and the failure to implement certain provisions; and
- 3) progress on making the trade negotiations and dispute processes more transparent and democratic.

Those who want to define "success" as the launching of a new round of talks risk derailing the meeting and the WTO itself. There is far too much at stake to risk another debacle like the one that resulted from negotiations at the point of a trade policy gun in Seattle.

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