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Reproduced here is the text of the paper presented by **Hugh Corbet** (above).

About the Author

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For nearly twenty years, Mr Corbet was the Director of the Trade Policy Research Centre in London (1968-89), where he also founded and edited *The World Economy* (1977-89).

In 1982-88, Mr Corbet convened *inter alia*, in different parts of the world, eight "informal" roundtable meetings of trade ministers, senior officials, business leaders and independent experts from twelve to eighteen countries at a time. The

PARIS LECTURE...

Launching the Doha Round on Two Tracks

Hugh Corbet

It took three and a half years to reach agreement on the agenda of a new "round" of multilateral trade negotiations. The decision to prepare for another round was made at the WTO's second Ministerial Conference back in May 1998.

After "the Seattle fiasco" there was a year-long hiatus, but serious discussions resumed early last year, so settling on a negotiating agenda in the ensuing nine months was a remarkable achievement. It owed much to the skillful diplomacy of Stuart Harbinson and to the determination of Mike Moore, but it would not have been possible if Pascal Lamy and Robert Zoellick had not made a political commitment to forge ahead¹ and, in a perverse way, September 11 was also a compelling factor.

At a *technical* level, the discussions have got off to a business-like start with agreement on a schedule of meetings and deadlines, which seems optimistic, but how else should such a task begin? It has to be asked, however, whether the schedule relates to realities on the ground, to the readiness of governments to negotiate? The answer depends on the degree of political commitment among key players.

At a *political* level, it is evident that the governments of major developed countries are still not in a position to get to grips with politically sensitive issues such as agriculture, anti-dumping reform and the environment. What's more, the larger developing countries continue to drag their feet, as over "the Singapore issues". More generally, developing countries remain wary of "slippery slopes", many of them reluctant to take on new obligations when they do not have the administrative capacity to fulfill existing ones.

For these reasons it is being asked when and how the Doha Round negotiations will actually get down to business. Few signs can be

meetings were part of the international effort to launch what turned out to be the Uruguay Round of multilateral trade negotiations of 1986-94.

Trade Policy Roundtable

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seen in the United States, or in the other "majors", of real domestic support for the further liberalization of trade and investment.² Consequently, in other parts of the world, especially in East Asia and Latin America, governments are focusing on bilateral and regional trade negotiations, which are in many respects easier to conduct. Not many governments, including those of major trading countries, can pursue negotiations effectively on more than one front at a time.

There is good reason to wonder about the future of the multilateral trading system. First, I will outline the content of the Doha Round agenda. Then I will set out my view of the underlying problem in the WTO system. Thirdly, I will suggest what still has to be done, beyond the *formal* launch of the new round, to restore the momentum that was lost, after the Uruguay Round negotiations, even as the new WTO system was being established.

NEGOTIATIONS ON TWO TRACKS

As with the previous two rounds, it could be presumed that the first WTO round would eventually be launched on a comprehensive basis by somehow including all, or nearly all, proposals on the agenda. By the middle of last year that did not look possible. In fact in May, a study group of the Cordell Hull Institute urged at an international roundtable meeting of senior trade officials and independent experts in Gressy-en-France, near Paris, that governments begin thinking about a Plan B in case things did not come together in Doha, rather than risk a repetition of what happened at the Seattle ministerial meeting.³ In September the group's next draft went further at a similar meeting at Gotemba, hosted by the Government of Japan, and suggested "a two-stage approach" to launching the negotiations.⁴

In the end a broad-based approach was achieved by launching the Doha Round negotiations on two tracks. On "track one" are market-access negotiations and discussions on further systemic reforms. On "track two" are certain preparatory studies. There can also be visualized a "track three" that I will touch upon later.

Track One: Market-access Negotiations

On the "market-access negotiations" track are the liberalization of **agricultural trade**, the liberalization of **trade in services** and enlarging the agreement on trade-related aspects of protecting **intellectual property rights** – the main items on the "built-in agenda".

For the most part, the Doha Round negotiations are being conducted in "special sessions" of WTO councils and committees, but two other "negotiating groups" have been established. **Industrial products** were not included in the built-in agenda, so a negotiating group is dealing with "market access for non-agricultural

products”, tackling both tariffs and non-tariff measures. Its agenda includes proposals to reduce tariff “peaks” and “tariff escalation”.

Track one also provides for negotiations on WTO agreements. The second negotiating group, on “WTO rules”, is charged with (i) “clarifying and improving disciplines” on **anti-dumping actions** and subsidy-countervailing measures and (ii) addressing the problem of securing adherence to the requirements for departures from *unconditional* most-favored-nation (MFN) treatment to form bilateral or **regional trade agreements**, whether customs unions or free trade areas.

In the special session of the WTO Dispute Settlement Body, proposals for improving **dispute-settlement procedures** are to be finalized by May 2003, building on those that could have been approved at the Seattle ministerial meeting.⁵ Since then, there has been growing interest in requiring trade compensation when there are findings of non-compliance with WTO rules, rather than depend on the threat of retaliation to secure compliance.⁶

Just because items are on the negotiating agenda does not mean there will be meaningful negotiations on them. You can drag a horse to water but not make it drink. Among negotiators in Geneva, however, it is well understood that unless substantial progress is made on agriculture, little progress will be made on other items on the Doha Round agenda, especially those of interest to industrial countries.

Track Two: Preparatory Studies

On the “preparatory studies” track are the issues on which there are working groups, some of which were authorized at the first WTO Ministerial Conference, held in Singapore more than five years ago. The so-called Singapore issues relate to extending the WTO system to investment regulations, competition laws, “transparency” in government procurement and trade facilitation. Negotiations on each are supposed to begin after modalities are settled at the fifth WTO Ministerial Conference, which is to be held in Mexico next year, maybe in September or October.

Governments have to settle “unfinished business” on long-standing grievances. But they must also look ahead if the WTO system is to keep abreast of developments as the world economy continues to integrate. That means dealing not only with border restrictions and non-tariff distortions of international competition but also with the impediments within markets to international businesses investing and doing business in them.

On **investment regulations**, none are arguing for the Doha Round negotiations to cover the wide range of issues addressed during the ill-fated OECD attempt to achieve a Multilateral

Agreement on Investment, finally administered the *coup de grace* in 1997.⁷ Investment is already covered in WTO agreements, including the GATS, the TRIMs Agreement and the TRIPs Agreement. So, quite apart from anything else, in the interests of systemic coherence, those provisions need to be codified in a separate WTO agreement.

Secondly, though, with the continuing integration of the world economy, it is evident that the need for security for investment abroad is at least as great as that for trade, which is partly what the GATT is about. The greater the degree of insecurity, the higher the return required and the smaller, too, the flow of investment. In general, the problem is a failure of adequate enforcement of property rights, which is why for a long time investment in developing countries was substantially through commercial lending, guaranteed by governments.⁸

On **competition laws**, it has taken a long time for political leaders to realize that the discussions on non-tariff measures, beginning in the Tokyo Round negotiations in the early 1970s, were dealing with interventions in the market process that could discriminate in favor of domestic suppliers and against foreign ones – in other words, were dealing with international competition. Following the Uruguay Round agreements on non-tariff measures, it is logical to turn next to restrictions within countries, such as regulations limiting entry to some industries – telecommunications, for instance. In some countries governments have taken insufficient interest in enacting or applying competition laws to prevent restrictive business practices by private companies.

None is arguing, however, for the Doha Round negotiations to cover all the aspects of competition laws that are covered in the United States, the European Union and other industrial countries. It is argued instead, as more and more developing countries introduce competition laws, that the issues should be addressed in sequence, beginning with a code on competition standards.⁹

On the other two Singapore issues, transparency in **government procurement** and **trade facilitation**, there is not a great deal of resistance. Negotiations could have proceeded straightaway, but they are being held back, at the behest of developing countries, until it is decided to go forward with negotiations on investment and competition after the fifth WTO Ministerial Conference.¹⁰

On **trade and the environment**, the focus is on the compatibility of multilateral environmental agreements with WTO rules, while the difficulties posed by eco-labeling are being addressed as well. Thankfully, because it could have been a launch-breaker, the “precautionary principle” *per se* was kept off the agenda.¹¹ Why? Because it is seen as a pretext for new or continuing protectionist measures. Even so, the principle is already in the WTO agreements on technical barriers to trade and sanitary and phyto-

sanitary measures, so it could be discussed further in a review of those agreements.

RESTORING WTO MOMENTUM

The health of the multilateral trading system depends a great deal, for good or evil, on the attitude of the United States – if only because it looms so large in the international scheme of things. One of the problems is that the United States does not attach great importance to day-to-day continuity at a technical level in the conduct of government. So with each new President a new team of senior officials takes over in Washington and, if care is not taken, “institutional memory” is lost and the lessons of previous failures and successes have to be learnt all over again. That happens with successive administrations, but a particular case in point was the Clinton Administration, which set back continuity in the conduct of U.S. trade policy by at least a decade.¹² There are two reasons for saying that.

First, in seeking from Congress the renewal of “fast track” trade-negotiating authority, President Clinton insisted on his Administration being accorded a remit to press for labor and environmental standards in trade agreements. As a result, the bipartisan approach to U.S. trade policy, which had stood for half a century, broke down and the Congress refused four times to renew trade-negotiating authority. Four times! Yes, in 1994, 1995, 1997 and in 1999. That was chiefly because of Republican opposition, but not entirely, for in 1994 the Congress was still under Democrat control. A large proportion of Democrats in the Congress depend on AFL-CIO¹³ financial and “in kind” support for their re-election and so there are a large number who support the idea of enforceable labor and environmental standards in trade agreements.

Second, in President Clinton’s time, the Office of the U.S. Trade Representative, originally established by President Kennedy to coordinate trade policy among departments and with the Congress, took on the features of a corporate law firm, dealing with industry complaints on a case-by-case basis with no attempt made to develop a coherent policy on U.S. trade relations with the rest of the world. Fortunately, the Administration’s general commitment to trade liberalization was maintained, thanks to Robert Rubin and to his successor Lawrence Summers.

Governments in other countries had no option but to wait quietly for the arrival in Washington of a new team. After trade policy had been neglected for so many years, it was bound to be difficult for George W. Bush’s Administration to put its people in place, think through its positions and, at the same time, get behind the efforts of the European Union and Japan to mount a new round of multilateral trade negotiations. Getting things done usually means cutting corners. Not only are there now a lot of fences to be mended. Much also has to be done to build the domestic

consensus and inter-governmental support that will be needed in the next two years to overcome the possibilities for procedural gridlock in Geneva and political inertia in the major trading countries.

Public debate in the United States continues to be dogged by a lack of vision, direction and leadership at a political level and, secondly, by a great deal of mis-information (and disinformation) in the media. None of this can be turned around quickly. Anti-globalization activities, combined with the Information Revolution, have given new meaning to the old political adage, "The lie is half way round the world before the truth has got its boots on".

Purpose of Trade-Negotiating Authority

All sorts of the misconceptions have to be put right – even in Washington. One is the idea that the U.S. Administration does not need trade-negotiating authority for trade negotiations to begin. That has never been in dispute. Both the Tokyo Round and the Uruguay Round were launched without the Administration of the day having trade-negotiating authority in hand. But the point is this: neither round got down to business until, in the case of the Tokyo Round, the Congress passed the Trade Reform Act of 1974 and until, in the case of the Uruguay Round, the Congress passed the Trade and Competitiveness Act of 1988.

Without trade-negotiating authority, the U.S. Administration is not in a position to provide effective leadership, to embark on initiatives that can be taken seriously. But the European Union and Japan are not yet in a position to assume that kind of leadership in the world economy. Yes they did take the initiative in renewing the effort early in 2001 to develop support for launching the first WTO round. Thereafter, though, repeated high-level calls for a new round were always at odds with what was happening at ground level, for everyone knew that the United States was not engaged. Only when the U.S. Administration became engaged in the middle of year did things begin to happen.

One of the lessons of the Clinton Administration is that for want of U.S. trade-negotiating authority the work of the WTO lost momentum, the process of Asia-Pacific Economic Cooperation lost direction and the negotiations for a Free Trade Area of the Americas lost impetus.

Grasping the Role of WTO Rules

Rather than rely on the leadership of the "sole remaining super-power", it would be better if governments could cooperate more effectively in the joint administration of WTO principles, rules and procedures. But that would require a much greater degree of consensus among them on the purpose of the multilateral trading system. Governments have done almost nothing, in response to

anti-globalization activities, to educate public opinion on the role of trade policy and the WTO system in promoting economic growth and development. For more than a generation the integration of the world economy has been outpacing the development of political thought, institutions and leadership.¹⁴

So it is important to foster greater public understanding of the way the principles, rules and procedures of the multilateral trading system serve three constitutional functions. The *first function* is to protect governments from sectional interests that want the governmental power of coercion to be used in their favor – be they multinational enterprises, labor unions or non-governmental organizations. The *second function* is to protect citizens, including legal persons (firms), from governments. The *third function* is to protect governments from one another. When multilateral rules are observed, fulfilling their functions as constitutional constraints, the managements of firms can get on with their business in a stable institutional environment, independently of where they are based.

Little has changed since the failure of the Seattle ministerial meeting. In the major trading powers, including the United States, political leaders are still not speaking up in support of the rules-based trading system. Sound bites about “free trade” are hardly enough.¹⁵ But the problem is not confined to the “majors”. Trade ministers almost everywhere have been intimidated into silence by NGOs, not so much by the strength of their arguments as by the methods they use to promote them, which appeal to popular fears and prejudices, get the attention of an uncritical media and are flashed around the world in no time at all.

The political effectiveness of many NGOs is reinforced by the tendency in Washington and some European capitals to discount the multilateral consensus-building process, as if agreement between the European Union and the United States is all that matters. Sure, without agreement among the majors, accounting for two thirds of the world economy, there can be no progress at multilateral level. Even so, there can be no overlooking how much the new WTO system is different from the old GATT system.

Changes in the WTO System

By contrast to earlier GATT rounds, the first WTO round now getting under way has to take thoroughly into account the interests of developing countries, now four fifths of the WTO’s membership. Today the developing countries recognize their stake in the WTO system, as they did not in the GATT system, and have to be persuaded that proposals for further change are going to be in their long-term economic interests.

As developing countries got nowhere in the 1970s with their demands for a “new international economic order”, they were

pressed to participate more fully in the GATT system, which became an unstated goal of developed countries in the Uruguay Round negotiations and was substantially achieved. In that eighth and last GATT round, the developing countries made multilateral market-opening commitments for the first time and, having agreed to the negotiations being conducted as a "single undertaking", they are now parties to all the agreements reached – as they were not with the agreements reached in the Tokyo Round negotiations.

Rather than play an active part in maintaining momentum in the work of the WTO system, the United States, under the Clinton Administration, was seen to be taking a back seat. Before long there were widespread concerns about "a lack of leadership" as the WTO system drifted. With the end of the Cold War, followed by doubts about the direction of American policies, other countries are not as ready as before to follow the United States.

Only in the last few months, since the September 11 atrocity, has public discussion begun about the position of the United States in the world. In January, a former senior official in the Clinton Administration, in a thoughtful *Washington Post* article, wrote:

"The end of the Cold War was not, as some would have it, the End of History. It was, instead the end of one challenge to capitalism. And if we do not recognize the costs of the hubristic interpretation of world affairs we have accepted during the past decade (that we are right and all others must play by our rules or founder), then we will be making it easier for a new generation of changes to arise.

"The harbingers of this looming threat are not just in the dissatisfaction of the world's poor. They also lie in the frustrations of America's allies at this moment of our undisputed greatness."¹⁶

Shortly before, the *Philadelphia Inquirer's* respected foreign affairs columnist Trudy Rubin was interviewed on PBS Television and, among other things, she said:

"We have to debate what kind of superpower the United States is to be in the world, what we want and need to do beyond military action, how to reach out – better trade policies, more opening to Third World trade, more aid. We can't solve the world's problems, but if we are the sole superpower, we have to do more than provide weapons."¹⁷

Impediments to the First WTO Round

Differences over procedures usually reflect differences over substance. The impediments to launching the first WTO round were not so much over proposals for the negotiating agenda as over the development of the multilateral trading system. Develop-

ing countries have been angry and resentful about the way their interests are constantly brushed aside.

There have been three major impediments to embarking on fresh negotiations and they have not been fully overcome. One has been the question of whether labor [and environmental] standards have a place in the WTO system. Another is the so-called implementation problem. The third is institutional reforms. All three impediments are having a continuing adverse effect on the conduct of WTO activities and on public support for them.

Labor Standards in the WTO System? *On labor and environmental standards, the latter subject is being addressed in the WTO system, in the Committee on Trade and the Environment, but labor standards have posed a threat of a wholly different magnitude.*

Neglect of the "Implementation Problem" *Many developing countries were reticent in the late 1990s about a WTO round because of the problems they were experiencing in implementing their commitments in the Uruguay Round agreements. Industrial countries made "best endeavor" commitments to provide technical and financial assistance to help them meet the kind of obligations they were assuming for the first time, but they were non-binding commitments. Failure by the majors to pay attention turned a problem into an impediment.*

Question of Institutional Reforms The anti-globalization demonstrations in Seattle drew attention to the inability of governments to agree on an agenda for the first WTO round. This was explained in terms of an unwieldy negotiating process, the intransigence of some countries and lack of leadership by the major trading powers. Much was made in Seattle of a lack of transparency and "accountability" in the WTO system, dissatisfaction with the decision-making process and the exclusion of NGOs from the dispute-settlement mechanism. Since then there have been concerns that the WTO's dispute-settlement function, although working well, is infringing on its rule-making function¹⁸ and that its consultative (oversight) processes that have become "UN-ized".

Eschewing these issues has not made it easier to conduct WTO business. These kinds of issues cannot be resolved in negotiations. They need to be tackled through the WTO's permanent institutional machinery – its councils, committees and working groups – by the membership and secretariat. And the sooner the better.

TRACK THREE ON NEGLECTED ISSUES

This brings me to track three on which might be envisaged the systemic issues that are not resolvable through negotiations of the



The **mockingbird** is the state bird of Tennessee. Cordell Hull represented a district of Tennessee in the Congress of the United States, and was elected a senator from there, before becoming U.S. Secretary of State (1933-44).

"The mockingbird is known for fighting for the protection of his home – falling, if need be, in its defense. Mockingbirds are not intimidated by animals larger than themselves and have been known to attack eagles"

– Diana Wells, *100 Birds and How They Got Their Names* (Chapel Hill, NC: Algonquin, 2002)

Trade Policy Analyses

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bargaining kind. The impediments to negotiations got passing mention in the Doha ministerial declaration. These issues must be pursued far more seriously in the next year or two, as work proceeds on the track-two preparatory studies, if the negotiations proper – following the next WTO ministerial meeting – are to yield worthwhile results in the time left for their completion.

Critical to the launch of the first WTO round at Doha was the recognition that enforceable labor standards have no place in the multilateral trading system. They are overwhelmingly opposed by WTO member countries. So it was just as well that the U.S. Congress did not pass negotiating-authority legislation before the Doha ministerial meeting. If it had done so and included a remit to press for enforceable labor standards in trade agreements it would probably have been a "launch breaker". In their declaration, the participants in the Doha ministerial meeting simply reaffirmed the position adopted on the trade-and-labor issue at the Singapore ministerial meeting.

Soon after Doha, the U.S. House of Representatives passed a relatively "clean" negotiating authority; with the U.S. Senate expected to follow suit early this year. What will be the duration of the negotiating authority? Three or four years? That is not likely to be known until the House and Senate bills are reconciled in a conference between the two. Almost certainly, however, the negotiating authority will have to be renewed again before the Doha Round negotiations are concluded. At that time, the labor-standards issue could be raised again unless it has been put to rest, maybe through the ILO's World Commission on the Social Dimension of Globalization that was announced at the end of February.¹⁹

Before, at and after the Seattle ministerial meeting, it became clear that the institutional side of the WTO system has to be strengthened. Some of the weaknesses in the WTO system have been addressed, but not the more serious ones to do with improving the transparency of its internal functioning, deepening its consensus-building procedures, accelerating "accession" negotiations, establishing a better procedure for selecting the Director-General and, last but not least, strengthening the WTO Secretariat, including its professional independence.

Underlying the "implementation issues" raised by developing countries in pre-Doha Round discussions has been the failure of developed countries to deliver sufficiently on the "best endeavor" commitments they made in various Uruguay Round agreements to help developing countries fulfill their commitments by providing technical and financial assistance. There has been much talk of the need to promote "trade-related capacity building" in developing countries, but it requires substantial new resources, which in turn requires sustained high-level political attention (but so far has not got much beyond lip service).

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CONCLUSION

In short, for the Doha Round negotiations to yield worthwhile results a great deal more has to be done, most of all by the major trading powers. For a start, the United States has to be fully engaged, which will only happen when the Administration has secured fast-track trade-negotiating authority. At that point, the Administration can set out its objectives more explicitly, maybe including the elimination of industrial tariffs. At present there is little on the Doha Round agenda that grabs the interest of U.S. manufacturers. Major negotiations need to be inspired by high objectives if they are to generate the political commitment that is needed for them to succeed.

Progress on trade in manufactures, and also on trade in services, is going to depend on the prospects for making substantial progress in liberalizing trade in agricultural products, which is critical as far as agricultural-exporting countries, and developing countries more generally, are concerned. Those prospects will be difficult to assess until it is known for sure whether negotiations are going to proceed on extending the WTO system to investment regulations, competition laws and other "new areas". Finally, there has to be confidence among participants in the WTO system and, as things stand at present, confidence is still seriously lacking.

¹ See the joint statement they issued in Washington, DC, on 17 July 2001.

² By the "majors" are meant the European Union, Japan and Canada, as well as the United States. Their trade ministers comprise the Quadrilateral Group, formed at the Economic Summit in Toronto, in 1985, to provide leadership in the multilateral trading system.

³ See the chairman's statement, by Harald B. Malmgren, issued after the informal roundtable meeting of senior trade officials and independent experts convened by the Cordell Hull Institute at Gressy-en-France, near Paris, on 11-13 May 2001, just before the annual OECD ministerial council meeting.

At the WTO Ministerial Conference in Seattle there was no "fallback position" in anybody's breast pocket and so, when the meeting came to grief, ministers and officials departed in confusion not knowing what would happen next.

⁴ See the chairman's statement, by John M. Weekes, issued after the informal roundtable meeting of senior trade officials and independent experts convened by the Cordell Hull Institute at Gotemba, near Mt Fuji, on 6-8 September 2001, hosted by the Government of Japan.

⁵ The proposed improvements are reviewed in William J. Davey, "Strengthening the WTO Dispute-Settlement Process", a paper presented at the Cordell Hull Institute's Trade Policy Roundtable, Washington, DC, on 1 May 2001.

⁶ Horlick and Lisa M. Pearlman, "Do WTO Sanctions Work? Compliance and Other Remedies", in Jagdish Bhagwati and Hugh Corbet (eds), *Labour Standards in an Integrating World Economy* (London: Cameron May, for the Cordell Hull Institute, forthcoming). Also see Steve Charnovitz, "Rethinking WTO Trade Sanctions", *The American Journal of International Law*, Washington, DC, No. 3, Vol. 95, 2001.

⁷ A careful review of the negotiations can be found in David Henderson, *The MAI Affair: a Story and its Lessons*, Pelham Paper No. 5 (Melbourne: Melbourne Business School, 1999), also published by the Brookings Institution, Washington, DC, the Groupe d'Economie de Mondiale, Paris, and the Royal Institute of International Affairs, London.

⁸ For a full review of the issues, see V.N. Balasubramanyam, "Extending the WTO System to Foreign Direct Investment", a paper presented at the Cordell Hull Institute's Trade Policy Roundtable, Washington, DC, on 29 November 2001.

⁹ See, for example, *Trade and Competition Policies: Exploring the Ways Forward* (Paris: OECD Secretariat, 1999), pp. 60-65.

¹⁰ Track two also provides for preparatory studies on a range of other subjects: (i) trade and the environment, (ii) electronic commerce, (iii) small economies, (iv) trade, debt and finance and (v) the transfer of technology. Reports on these topics are also to be considered at the fifth WTO ministerial meeting.

¹¹ The precautionary principle refers to Principle 15 of the Rio Declaration on Environment and Development. It states that where there are threats of serious or irreparable damage [to the environment], lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

¹² For a critique, see my article, "Post Mortem on Seattle: Mistakes were Made", *The JAMA Forum*, Tokyo, February 2000.

¹³ The amalgamation of the American Federation of Labor and the Confederation of Industrial Organizations.

¹⁴ Three decades ago, in 1971, the last presidential commission in the United States on developments in the world economy had the following to say: "The core of our present difficulty is the fact that government policies and practices, and international arrangements for collective decision-making, have not kept abreast of the high degree of international economic integration that has been achieved since World War II." Commission on International Trade and Investment Policy, *United States International Economic Policy in an Interdependent World*, Report of the Williams Commission (Washington, DC: Executive Office of the President, 1971), p. 6.

¹⁵ The test of a "free trade" policy is how it copes with hard cases – like steel, textiles and agriculture.

¹⁶ David J. Rothkopf, "Whatever Capitalism's Fate, Somebody's Already Working on an Alternative", *The Washington Post*, 20 January 2002. Mr Rothkopf was Deputy Under Secretary of Commerce for International Trade in the Clinton Administration.

¹⁷ Trudy Rubin, interviewed on PBS Television's NewsHour with Jim Lehrer, 16 January 2002. For the transcript, see <www.pbs.org/newshour/bb/international/jan-june-02/rubin_1-16.html>

¹⁸ On this point, see John M. Weekes, "Back to the WTO Negotiating Table", *Financial Times*, London, 5 April 2001. The former chairman of the WTO General Council argued that the WTO needed to revivify its rule-making function as a counterweight to its dispute-settlement function.

¹⁹ For a comment on the parameters, terms and reference and composition of the World Commission, see the chairman's statement, by William D. Rogers, arising from a meeting of trade, labour and development specialists in Washington, DC, on 4 December 2001.

