

Analyzing India's Trade Dynamics: A Comprehensive Study of WTO Agreements and their Implications on Indian Economy

KUSHAGRA SINGH NEGI

ASSISTANT PROFESSOR, EAFM, DRJ GOVERNMENT GIRLS COLLEGE, BALOTRA, RAJASTHAN, India

ABSTRACT: The full form of the WTO is the World Trade Organization, and its function is to control and maintain trade across the world. Generally, this organisation makes the rules for trading between countries. At present, 159 countries are members of the WTO. It ensures that trade between the nations runs smoothly and peacefully and is profitable for both countries. The World Trade Organization is an international organisation that was established on 1 January 1995 to help its members uplift their living standards, create employment, and improve people's lives by using trade. It forms the rules and regulations regarding trading across the nations and ensures that the rules are correctly followed to avoid any kind of harm and violence.

KEYWORDS: WTO, dynamics, India, economy, agreements, employment

I.INTRODUCTION

The primary role of the WTO is as follows:

- WTO trade agreement administration.
- Providing a trade negotiation forum.
- Resolving trade disputes.
- Monitoring national trade policies.
- Helping technical support and training to developing countries.
- It allows open communication between its members regarding trade.

Effect of the WTO on India

Trading is an excellent weapon for any developing country, and one who uses it rightly wins prosperity and wealth for their country. India, as a developing nation, does the same. India is an agricultural country, and most of its GDP depends upon agriculture, as it exports agrarian products across the world. Trading can play a huge role in developing any nation, if adequately used, because it also has harmful impacts. So, let's take a look at the good and bad impacts of the WTO on India.

Positive impacts of the WTO on India

India is a developing country and has a vast geographical area and population. That's why it needs more capital to feed its citizens. India is good in agriculture, as its geographical condition is very good for crops, so they are self-sufficient in feeding their people and exporting edible products, but some things are imported. So, it has a perfect balance of imports and exports, and India, as one of the founding members of the WTO, has a very positive impact on it. There are some points listed below that helped in the development of India through the World Trade Organization:

- India's export competitiveness has been improved by the WTO.
- The lower tariff has helped integrate with the global economy more efficiently.
- India's growth and development have been pursued by transferring and exchanging technology and ideas.
- There is a reduction in cost and time due to market access.
- The WTO helped better settle trade disputes in a well-defined and structured manner.[1,2,3]

Negative impacts of the WTO on India

Every positive impact carries a negative with it. Even after so many positive things, the WTO has also harmed India in some ways, which are listed below:

- The TRIPs agreement went against the Indian Patents Act (1970).

- The introduction of product patents in India by MNCs caused a hike in drug prices, which left no generic option for the poor.
- India and its research institutions have been negatively affected by the extension of intellectual property rights to agriculture.
- The MFN (most favoured nations)clause proved detrimental to India's interests and provided grounds for the Chinese invasion of the Indian market through dumping.
- India's service sectors are backward compared to those in developed countries.

The World Trade Organization is an international organisation that deals with the rules and regulations of trading worldwide. Currently, it has a total of 159 countries, including India. India has been the founding member of this organisation since 1995. This organisation has helped many countries to develop with the help of trade. It also helped India and still does toward making it a developed country. Trading has a significant impact on any nation's economy, and it is a part of globalisation. It also has negative impacts, but they are overshadowed by the positive impacts. So, for India, the WTO seems like a life-uplifting organisation.

II.DISCUSSION

India and the World Trade Organization – Latest Developments

Ban of Chinese Mobile Apps – China Claims Violation of WTO Rules

- India banned 59 mobile apps from China. China has claimed that India has violated World Trade Organization (WTO) rules.
- WTO may likely favour India's decision as it was taken on the grounds of national security and sovereignty. As per WTO rules, countries can take such actions if it poses a threat.
- China has blocked many global companies from entering its market on various pretexts. Hence, its claim against India may not be strong.

Background and Issues Related to the Peace Clause

- The peace clause protects developing countries' food subsidy programmes from legal action at the WTO.
- India informed WTO that it gave about \$5 billion in subsidies for rice production in 2018-19. It has breached the permitted limit.
- However, India invoked the peace clause. It protected its food subsidy programmes from legal challenges.
- Some WTO members objected to India invoking the peace clause. They argued that India's economy has grown substantially. Hence, it should reduce trade-distorting subsidies.
- India contends that its farm subsidies are needed to ensure livelihood support for farmers. It wants the peace clause to be retained for developing countries.
- There are differing views among members on the issue of the peace clause. An understanding is needed to resolve the matter.

WTO and India

- Despite its diminishing proportion of international commerce for the majority of the post-World War II period, India has been an active participant in all rounds of GATT discussions.
- India has remained a significant voice in discussions to initiate a new round of international trade negotiations in the post-WTO era.
- The aim of India's approach has been to secure a fair division of rights and obligations between rich and developing countries, as well as to address poor countries' developmental concerns.
- Its bargaining strategy, on the other hand, has evolved in tandem with its general trade and development strategy and policy direction. Its previous strategy was essentially defensive, consistent with its import substitution policy.[4,5,6]
- However, the implementation of economic reforms in the aftermath of the 1991 Balance of Payments crisis shifted India's perceptions of the prospects, rewards, and risks of participating in the multilateral trade system, leading to the adoption of a more forward-looking negotiation posture.

Major WTO Agreements & Implications For India

Agreement on subsidies and countervailing measures – SCM

- The term “subsidy” is defined in the SCM Agreement as “a financial contribution by a government or any public body inside the territory of a member that gives a benefit.” Only four “particular” subsidies are covered by SCM Agreement disciplines.
 - Enterprise-Specificity: A country’s government targets a specific company or companies for subsidization.
 - Industry-Specificity: A government targets certain sectors or sectors for subsidization.
 - Regional Specificity: A government targets producers in particular areas of its territory for subsidization
 - Prohibited Subsidies: A government targets export products or goods using native inputs for subsidization.
- There are two kinds of banned subsidies, those based on export performance and those based on the utilisation of indigenous content over imported items. Furthermore, there are ‘actionable subsidies,’ which are not prohibited, but governments may take ‘countervailing actions’ against them.

General Agreement on Trade in Services (GATS)

- GATS was inspired by the concepts of developing a credible system of international trade norms, the principle of non-discrimination, boosting economic activity through definite policy commitments, and progressive trade liberalisation.
- WTO service negotiations follow debates on the so-called positive list method and the negative list approach.
- Members list all of the services for which they intend to remove tariff or non-tariff barriers in the former.
- It entails the opening of markets as well as the offer of national treatment to foreign service providers in relation to the products on the list.
- The latter method, on the other hand, is related to services when trade barriers are still in place.
- The West is adamant about shifting from a good list to a negative list approach.
- India is opposed to this notion since it would subject practically the entire Indian service sector to the whims of Western multinational conglomerates.[7,8,9]

Trade-Related Aspects of Intellectual Property Rights (TRIPS)

- The World Trade Organization’s Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is an intercontinental agreement that establishes minimum criteria for numerous categories of intellectual property (IP).
 - Copyright – This refers to the legal right to control the production and selling of a book, play, film, photograph, or piece of music. Copyright protection, however, extends to expressions and not to ideas, procedures, methods of operation, or any mathematical concepts.
 - Geographical indications – Geographical indications are defined as indications that identify a good as originating in the territory of a Member or a region or locality in that territory, where a given quality, reputation, or other characteristics of the good are essentially attributable to its geographical origin.
 - Industrial designs – The agreement obliges members to provide for the protection (for at least 10 years) of independently created industrial designs that are new or original.
 - Integrated circuit layout-designs – WTO defines layout designs as the three-dimensional disposition, however, expressed, of the elements, at least one of which is an active element, and of some or all of the interconnections of an integrated circuit, or such a three-dimensional disposition prepared for an integrated circuit intended for manufacture.
- Patents – The agreement requires members to make patents available for any inventions, whether products or processes, in all fields of technology without discrimination, subject to the tests of novelty, inventiveness, and industrial applicability. There are certain exceptions to this rule.
- Trademarks – The basic rule contained in Article 15 is that any sign, or any combination of signs, capable of distinguishing the goods and services of one undertaking from those of other undertakings must be eligible for registration as a trademark, provided that it is visually perceptible.[10,11,12]

Trade-Related Investment Measures (TRIMS)

- TRIMS, which was negotiated during the Uruguay Round, applies to measures that affect goods trade.
- This agreement specifies that no Member shall take any action that is banned by GATT Article III (national treatment) or Article XI (quantitative restrictions).
- As a result, the members will not enact any policy that discriminates against foreign products or leads to quantitative restrictions.

Agreement on Agriculture – AoA

Designed to remove trade barriers and encourage transparent market access and integration of global markets, AoA stands on 3 pillars:

Domestic Support, i.e., subsidies such as guaranteed minimum price or input subsidies, which are direct and specific to a product. This can be divided into:

- Green Box – Subsidies that are not or least market distorting. It includes measures such as income-support payments, safety-net programs, payments under environmental programs, and agricultural research and development subsidies. In the case of developing countries, special treatment is provided in respect of governmental stockholding schemes for food security purposes and subsidized food prices for urban and rural poor. The US has exploited this opportunity by decoupling subsidies (non-trade distorting subsidies) from outputs and financing research & development of agriculture.
- Blue Box – These production-limiting subsidies cover payments based on acreage, yield, or number of livestock in a base year. The government is given room to fix the ‘targets price’ if the ‘market prices’ is lower than the farm prices. The EU has been actively using this method.
- Amber Box – Those are trade-distorting subsidies that need to be curbed. They contain a category of domestic support that is scheduled for reduction based on a formula called the “Aggregate Measure of Support” (AMS). This refers to the money spent by governments on agricultural production, except for those contained in the Blue Box, Green Box, and ‘de minimis.’

Agreement on Textiles & Clothing – ATC

The Multi-Fibre Agreement governed the global textile trade until the Uruguay Round. This framework for bilateral agreements or unilateral actions established quotas, limiting imports into countries whose domestic industries were facing serious harm from rapidly increasing imports. Since MFA was not in tandem with the principles of GATT, it was replaced by the Agreement on Textiles on 1st January 1995.[13,14,15]

Sanitary & Phyto-Sanitary Measures

As a result of the Uruguay Round, the SPS agreement sets out the basic rules for food safety and animal and plant health standards. It allows countries to set their own standards based on scientific regulations. But they should be in force only to the extent that is necessary to protect human, animal, or plant life or health. Also, they should not capriciously or unjustifiably discriminate between countries with identical or similar conditions. The Technical Barriers to Trade Agreement (TBT) tries to ensure that regulations, standards, testing, and certification procedures do not create superfluous obstacles to trade. The most common complaints as far as SPS & TBT measures are concerned are that importing countries are not abiding by international standards. For example, in recent times, developed regions like the USA & EU have reduced the limits of pesticides in agriculture. This has had an impact on the export of India’s agro-products like tea & basmati rice. Another frequent grievance relates to long delays in completing risk assessments or allowing imports.

Peace Clause and India

- The term ‘peace clause’ has caused consternation since India dug in its heels on the topic of domestic food security in recent World Trade Organization (WTO) discussions, resulting in an impasse.
- India is of the opinion that it is not, but developed nations are of the opinion that it is.

- The ‘peace clause’ stated that no country would be legally excluded from participating in food security programmes even if the subsidy exceeded the limits stipulated in the WTO agriculture agreement.
- This ‘peace clause’ was supposed to last four years, until 2017, when the protagonists planned to find a permanent solution to the crisis.
- India is concerned that if the provision expires before a permanent solution is in place, food security programmes and farmer-protection laws, such as Minimum Support Prices, will be under attack.

Background of WTO

- The World Trade Organization’s (WTO) Dispute Settlement System (DSS), which was established in 1995, is used to resolve trade-related issues between WTO member nations.
- Since its founding, it has received over 500 complaints and uses both political dialogue and adjudication to resolve disputes.
- The DSS is currently facing an unprecedented crisis as a result of US blockage, which might render the system effectively inoperable by late 2019.
- Any solution to the present crisis will very certainly necessitate the negotiation of far-reaching institutional and structural reforms among WTO member nations.
- In this environment, assessing India’s experience with the DSS is both important and useful.
- It examines reform ideas that will be critical from India’s standpoint as a developing country.[16,17]

GATT and India: The Pre–Uruguay Round Years

- Under the framework of GATT, India played a major part in international trade discussions. Along with Brazil, it has repeatedly served as a leader and spokesperson for emerging countries.
- For example, India launched an action programme in 1963 to increase exports from developing countries to rich countries.
- This policy called for a moratorium on all new tariff and non-tariff barriers, the removal of all GATT illegal Quantitative Restrictions (QRs), the elimination of all taxes on tropical primary items, and a timetable for reducing and abolishing tariffs on semi-processed and processed goods. However, such attempts are not always fruitful.

TRIPS waiver for Covid related treatment

- The global debate over whether the multilateral trade regime for intellectual property rights (IPR) protection hinders access to crucial medicinal supplies has been reignited by the coronavirus epidemic.
- Despite embedded flexibilities in the World Trade Organization (WTO) Agreement on Trade-related Intellectual Property Rights (TRIPS), India and South Africa submitted an initial proposal for a temporary waiver in response to Covid-19 in October 2020, followed by a revised proposal in May 2020, which continues to divide opinion.
- The US administration has stated its support for a vaccine exemption. EU leaders expressed an openness to debate while presenting an alternate strategy centred on minimising export restrictions, mandating licencing, and utilising existing TRIPS flexibilities.
- The design of an intellectual property (IP) system at the national or regional level, as well as how effectively it is implemented, can be a significant factor in facilitating access to existing technologies and supporting the development, manufacturing, and dissemination of new technologies, such as medicines, vaccines, and medical devices, in response to the COVID-19 pandemic.

Issues related to the Peace Clause

- The Agriculture Agreement includes a “due restraint” or “peace clause” that governs the applicability of other WTO agreements to agricultural subsidies.
- The ‘peace clause’ stated that no country would be legally excluded from participating in food security programmes even if the subsidy exceeded the limits stipulated in the WTO agriculture agreement. This ‘peace clause’ was supposed to last four years, until 2017, when the protagonists planned to find a permanent solution to the crisis.



- The key commitments for reduction are market access, domestic support, and export subsidies. However, the Agriculture Agreement includes other elements such as export limitations, a “peace clause,” dispute resolution, and future negotiations.
- The section also requires full disclosure of MSPs and annual procurement for food security programmes, which the government thinks could expose India to internal criticism.

Why did India invoke the Peace Clause at WTO?

After breaching the 10% cap on rice farmer subsidies for the second time, India invoked the World Trade Organization’s (WTO) peace clause.

Issue related to India invoking the Peace Clause

- The peace clause shields India’s food purchase programmes from WTO retaliation if the subsidy ceilings are broken.
- The clause was first used by New Delhi in 2020, making it the first country to do so.
- The stocks purchased and released under the Programme are intended to address the domestic food security needs of India’s poor and vulnerable population rather than to restrict commercial commerce or the food security of others.
- India is concerned that if the clause expires before a permanent solution is in place, food security programmes and farmer-protection laws, such as Minimum Support Prices, will be under attack.
- India viewed the Western countries’ narrow window for implementing the peace clause as insufficient assurance.

Which Countries questioned India on invoking the World Trade Organization (WTO) Peace Clause?

- The United States, the European Union, Canada, Brazil, Japan, and Paraguay questioned India’s use of the peace clause to circumvent subsidy restrictions, arguing that subsidies impede global trade.
- The United States, the European Union, Canada, Brazil, Japan, and Paraguay have questioned India’s use of the World Trade Organization (WTO) peace clause to exceed the maximum amount of rice support it can offer its farmers.
- The peace clause shields developing countries’ food procurement programmes from WTO members’ action if subsidy ceilings are broken.
- The EU has requested complete information on the products covered by the public stockholding programme from India in order to ensure that only rice support exceeded the limitations.

India’s reasoning in support of its breaching the subsidy limits and invoking the peace clause

- India informed the WTO that its breach of commitment for rice under the Agreement on Agriculture stems from assistance provided in accordance with public stockholding programmes for food security purposes that were in place on the date of the Bali Ministerial Decision on Public Stockholding for Food Security Purposes.[18]
- India claimed that wheat, rice, coarse cereals, and pulses are acquired and distributed under its public stockholding programmes for food security reasons in order to address the domestic food security needs of the country’s poor and vulnerable people.
- This is done “in order not to obstruct commercial traffic or the food security of others. For these reasons, the violation of the de minimis restrictions for rice is covered by the peace clause.

Next course of action for India

- The world trade negotiations are not about “free markets” but about maximizing profits for the world’s most powerful nations.
- Nonetheless, strong bargaining skills are all about being accommodating and adaptable while giving up as little ground as possible on what is truly important.
- India has correctly maintained its right to determine its own domestic policy. However, derailment of the TFA and so closing the door to additional negotiations may not be the wisest strategy in the long run.

Information and Communication Technology (ICT) Tariff Case

- Japan and Taiwan filed a case against India in the WTO over the import duties imposed on certain electronic goods. This included mobile phones, laptops, etc.
- They claim that these duties violate the ITA-1 and ITA-2 agreements. Under these, India had agreed to zero customs duties on these ICT products.
- ITA stands for Information Technology Agreement. Under ITA-1 and ITA-2, members agreed to cut tariffs on various information technology products. This is to ease trade in these items.
- India joined ITA-1 in 1997 but was not part of ITA-2, which was signed in 2015. It expanded the scope of ICT products with zero tariffs.
- India maintained duties on these ICT products. Hence, Japan and Taiwan allege that India has not complied with the ITA commitments.
- A WTO dispute panel will now examine whether India's import duties violate its obligations under the ITA agreements.
- India claims that the ICT products in question are not part of ITA-1 and ITA-2, and so import duties can be levied on them.

Dispute Resolution for Harmful Fisheries Subsidies

WTO members are trying to make an agreement to stop subsidies for fishing that cause too much fishing or illegal fishing. These types of subsidies are harmful.

- Many developing countries like India give subsidies to fishermen for reasons like employment and food. They want flexibility in the new rules so they can still support fisheries.
- It is difficult to make an agreement because countries have different opinions.
- An important part of the agreement will be how to solve disputes about:
 - Which subsidies are harmful?
 - If countries are following the rules properly?
 - If countries are doing what they agreed to do?
- The dispute-solving system will have to decide issues like:
 - How to know if a subsidy is harmful or not?
 - Is a country really complying with the provisions of the agreement?
 - If a country is conforming to its commitments?
- Countries need to share information openly. They should follow the rules to make the agreement successful in stopping harmful fisheries subsidies.
- A balanced agreement with a good dispute settlement system will be key.

Impact of WTO on India

Positive Impacts

- Increased trade: India's trade has increased significantly after joining the WTO. It has enabled India to access global markets for its goods and services.
- Foreign investment: Foreign companies have invested more in India. This is due to lower tariffs and the easing of restrictions. This has helped create jobs and boost the Indian economy.
- Technology transfer: Foreign companies have brought the latest technology to India. This has helped Indian companies to upgrade and innovate.
- Competition: There is increased competition from foreign companies. This has forced Indian companies to improve quality, efficiency, and productivity. This has benefited consumers.
- Economic growth: WTO membership has helped sustain India's economic growth. This is mainly through promoting exports and foreign investment. It has created more jobs and opportunities.

Negative Impacts

- Loss of tariff revenue: India had to reduce import duties. This has reduced tariff revenues for the government.
- Farmers issue: Subsidies to Indian farmers have come under scrutiny due to WTO rules. This has affected the livelihood of small and marginal farmers.



- Intellectual property rights: India had to amend its IP laws as per WTO rules. This has benefitted foreign companies more than Indian companies.
- Agriculture dumping: India has faced agricultural dumping from countries like Australia and New Zealand. This has affected Indian farmers.
- Loss of policy space: Some policies of the government to protect domestic industries are now considered trade barriers by WTO. This has reduced India's policy space.

WTO Challenges Before India

- Concerns have recently been raised that several countries are providing direct tax reductions or tax breaks to encourage their exports/international trade.
- Taxation disputes have become more common, involving contradictions between WTO agreements and various country tax regulations.
- It has become critical for India to not only design its tax laws in accordance with WTO agreements but also to study the tax policies of competing countries in order to save and improve trade by flagging WTO agreement infractions by any member country.
- Several countries blatantly violate WTO agreements. China now has the most tax investigations, including those involving tax vacations, tax reductions, or tax concessions related to import or export.
- Similarly, because the revenues of foreign subsidiaries of US companies are not taxed until they are repatriated or transferred to the domestic parent company, US tax laws encourage corporations to direct greater investment abroad.
- Given that foreign subsidiaries file expenses on royalty payments/IP assignments to their parent in tax conduit countries, the amount almost always ends up in tax-free jurisdictions with negligible tax.
- This particular structure ensures a continuous cash flow and massive reserves to eliminate competition for these MNCs.

III.RESULTS

The charter on the establishment of the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD)- World Bank was signed at the Breton Wood Conference, in 1944, underlining the importance of a comparable institution for trade. Two years later, the USA published a draft on the creation of an International Trade Organisation (ITO) a third pillar alongside the IMF and IBRD but it failed to materialise due to opposition in the Congress. Instead of the ITO, the General Agreement on Tariffs and Trade (GATT) was established with 23 members in 1947. India is the founder member of GATT.

General Agreement on Tariffs and Trade (GATT)

GATT is a multilateral treaty among the member countries that lays down certain agreed rules for conducting international trade. The member countries contribute together to fourth fifth of the total world trade.

The basic aim of GATT is to liberalise world trade negotiations among members countries, and for the last 47 years, it has been concerned with negotiations on the reduction, even the elimination of trade barriers - tariffs and non-tariff barriers (NTB) between countries and improving trade relations so that the international trade flows freely and swiftly.

GATT Rounds

There have been eight rounds of GATT talks basically for the reduction and elimination of tariffs by the developed countries so that the developing countries can have market access. The eighth round known as the Uruguay Round has been the most important as a large number of issues have been included in this round which were not part of the GATT earlier.

Eighth Round – Uruguay Round

The Uruguay Round of the multilateral trade negotiations was concluded on 15 December 1993 after seven years of protracted negotiations. This has been the most complex and the controversial of the eight rounds of trade negotiations undertaken by GATT since its establishment in 1947. The first seven rounds of GATT ending with Tokyo Round in 1979 conformed to traditional GATT paradigm – tariff cuts and reduction of non-tariff barriers with a view to liberalising global trade in goods.



The 'Final Act' embodying the results of the Uruguay Round of multilateral trade negotiations held at Marrakech, Morocco on 15 April 1994 was signed by trade Ministers of the 123-member countries as a legal international treaty. The 'Final Act' strings together 28 agreements, declarations and decisions in the goods sector, including the agreement on Trade Related Aspects of Intellectual Property Right (TRIPS), Trade Related Investment Measures, General Agreement on Trade in Services (GATS), and the agreement on the establishment of World Trade Organisation (WTO). Within the goods sector, the negotiations first time covered the sensitive areas of Agreement on Agriculture (AoA), and Agreement on Textiles and Clothing.

Objectives of WTO

The World Trade Organisation (WTO) was established on 1 January 1995. The WTO has larger membership than GATT (145 by the end of March 2003). In its preamble, the agreement establishing the WTO reiterates the objectives of GATT. The preamble extends these objectives to services and makes them more precise:

- (a) It introduces the idea of "sustainable development" in relation to the optimal use of the world's resources, and the need to protect and preserve the environment in a manner consistent with various levels of national economic development.
- (b) It recognises that there is a need for positive efforts to ensure that developing countries, and especially the least developed among them, secure a better share of the growth in international trade.[17,18,19]
- (c) It was agreed that the trade will be without discrimination of the countries.
- (d) A dispute settlement body was established to give relief to the grieved countries whenever a signatory country felt aggrieved by other country on trade issues.

Agreement on Agriculture

The negotiations have resulted in four main portions of the agreement; the agreement itself; the concessions and commitments members are to undertake on market access, domestic support and export subsidies; the agreement on sanitary and phytosanitary measures; and the ministerial decision concerning least-developed and net food-importing developing countries.

Overall, the results of the negotiations provide a framework for the long-term reform of agricultural trade and domestic policies over the years to come. It makes a decisive move towards the objective of increased market orientation in agricultural trade. The rules governing agricultural trade are strengthened which will lead to improved predictability and stability for importing and exporting included in the Total Aggregate Measurement of Support (Total AMS) reduction commitments.

The Total AMS covers all support provided on either a product-specific or non-product-specific basis that does not qualify for exemption and is to be reduced by 20 percent (13.3 percent for developing countries with no reduction for least-developed countries) during the implementation period.

Members are required to reduce the value of mainly direct export subsidies to a level 36 percent below the 1986-90 base period level over the six-year implementation period, and the quantity of subsidised exports by 21 percent over the same period. In the case of developing countries, the reductions are two-thirds those of developed countries over a 10 year period (with no reductions applying to the least-developed countries) and subject to a certain conditions, there are no commitments on subsidies to reduce the costs of marketing exports of agricultural products or internal transport and freight charges on export shipments.

The tariffication package also provides for the maintenance of current access opportunities and the establishment of minimum access tariff quotas (at reduced-tariff rates) where current access is less than three percent of domestic consumption. These minimum access tariff quotas are to be expanded to five percent over the implementation period.

Domestic support measures that have, at most, a minimal impact on trade ("green Box" policies) are excluded from reduction commitments. Such policies include general government services, for example in the areas of research, disease control, infrastructure and food security.



General Agreement on Trade in Services

Services account for a large share of production and employment in most economies. Its share of the national Gross Domestic Product (GDP) is higher in developed countries, where it averages 60 to 70 percent, while it is lower in developing and least developed countries. In India, the sector accounted for 49 percent of the GDP in 2001-02. The world trade in services amounted to US\$ 1.440 trillion in 2001, of which India's share was about 1.4 percent. There are total of 12 service sectors that have been identified in GATS, out of which 155 sub sectors have been carved.

In the Doha Ministerial Conference, it had been decided that each member country must submit initial requests by June 2002 and initial offers by March 2003. This request-offer process is underway. However, most countries, including India have interpreted these deadlines as indicative only.

The main method of negotiations is the request and offer process, under which each country tables its demands from its trading partners and its offers to its trading partners sector-wise. India has submitted 'requests' to its trading partners in computer related services, architecture services, health services, audio-visual services, tourism services, maritime services and financial services. On the other hand, India has received requests from 22 countries and has to finalise its response to these requests through an "initial offer". The initial offer would point towards the direction in which a member is willing to liberalise. However, the initial offer has no legal status and can be withdrawn or amended at any time if the member feels that the trading partners' offers are not satisfactory or adequate.

It allows the member countries to indicate measures that will be kept in place for that sector, which will act as limitation to market access and national treatment, as well as the modes in which commitments are to be taken. These commitments are specified by modes of supply. The GATS sets out four modes of supplying services as under:

(a) Mode 1: Cross Border Trade. Cross-border trade corresponds with the normal form of trade in goods and maintains a clear geographical separation between seller and buyer. In this case services flow from the territory of one member into the territory of another member crossing national frontiers. (e.g., banking or architectural services transmitted via telecommunications or mail).

(b) Mode 2: Consumption Abroad. Consumption abroad refers to situations where a service consumer moves into another member's territory to obtain a service (e.g., consumer travelling for tourism, medical treatment, to attend educational establishment).

(c) Mode 3: Commercial Presence. Commercial presence is the supply of a service through the commercial presence of the foreign supplier in the territory of another WTO member. In this case a service supplier of one member establishes a territorial presence in another member's territory to provide a service. (e.g. the establishment of branch offices or agencies to deliver such services as banking, legal advice or communications).

(d) Mode 4: Presence of Natural Persons. Presence of natural persons involves the admission of foreign nationals to another country to provide services there. An Annex to the GATS makes it clear, however, that the agreement has nothing to do with individuals looking for employment in another country, or with citizenship, residence or employment requirements. The members still have a right to regulate the entry and stay of the persons concerned, for instance by requiring visas.

India has to sort out its services sector impediments before negotiating to iron out its services delivery issues under GATS. It has to make a strong case at the WTO for macro issues like a service provider visa for Indian service professionals under GATS, withholding tax and expansion of definition of services. However, before that, there are many issues that are to be handled at the local level.

Interestingly, India is at a vantage position to gain from expanded and comprehensive sectoral definitions of services as this would lead to inclusion of many services that could be remotely delivered to the trading partners from India. Presently the Reserve Bank of India (RBI) does not allow even foreign exchange earnings to software exporters for setting up an office, subsidiary, or a joint venture abroad without three-year profitability provision.

Agreement on Trade Related Aspects of Intellectual Property Rights

The agreement recognises that widely varying standards in the protection and enforcement of intellectual property rights and the lack of a multilateral framework of principles, rules and disciplines dealing with international trade in counterfeit goods have been a growing source of tension in international economic relations. Rules and disciplines were needed to cope with these tensions.



Part I of the agreement sets out general provisions and basic principles, notably a national-treatment commitment under which the nationals of other parties must be given treatment no less favourable than that accorded to a party's own nationals with regard to the protection of intellectual property. It also contains a most-favoured-nation (MFN) clause, a novelty in an international intellectual property agreement, under which any advantage a party gives to the nationals of another country must be extended immediately and unconditionally to the nationals of all other parties, even if such treatment is more favourable than that which it gives to its own nationals.

Part II addresses each intellectual property right in succession. With respect to copyright, parties are required to comply with the substantive provisions of the Berne Convention for the protection of literary and artistic works, in its latest version (Paris 1971), though they will not be obliged to protect moral rights as stipulated in Article 6 (b) of that Convention. It ensures that computer programmes will be protected as literary works under the Berne Convention and lays down on what basis databases should be protected by copyright. Important additions to existing international rules in the area of copyright and related rights are the provisions on rental rights. The draft requires authors of computer programmes and producers of sound recording to be given the right to authorise or prohibit the commercial rental of their works to the public. A similar exclusive right applies to films where commercial rental has led to widespread copying which is materially impairing the right of reproduction. The draft also requires performers to be given protection from unauthorised recording of the broadcast of live performances (bootlegging). The protection of performers and producers of sound recording would be for no less than 50 years. Broadcasting organisations would have control over the use that can be made of broadcast signals without their authorisation.

With respect to trademarks and service marks, the agreement defines what types of signs must be eligible for protection as a trademark or service mark and what the minimum rights conferred on their owners must be. Marks that have become well known in a particular country shall enjoy additional protection. In addition, the agreement lays down a number of obligations with regard to the use of trademarks and service marks, their term of protection, and their licensing or assignment. [18,19,20]

In respect of geographical indications, the agreement lays down that all parties must provide means to prevent the use of any indication, which misleads the consumer as to the origin of goods, and any use, which would constitute an act of unfair competition. A higher level of protection is provided for geographical indications for wines and spirits, which are protected even where there is no danger of the public being misled as to the true origin. Exceptions are allowed for names that have already become generic terms, but any country using such an exception must be willing to negotiate with a view to protecting the geographical indications in question. Furthermore, provision is made for further negotiations to establish a multilateral system of notification and registration of geographical indications for wines.

Industrial designs are also protected under the agreement for a period of 10 years. Owners of protected designs would be able to prevent the manufacture, sale or importation of articles bearing or embodying a design, which is a copy of the protected design.

As regards patents, there is a general obligation to comply with the substantive provisions of the Paris Convention (1967), in addition, the agreement required that 20-years patent protection be available for all inventions, whether of products or processes, in almost all fields of technology. Inventions may be excluded from patentability if their commercial exploitation is prohibited for reasons of public order or morality; otherwise, the permitted exclusions are for diagnostic, therapeutic and surgical methods, and for plants and (other than microorganisms) animals and essentially biological processes for the production of plants or animals (other than microbiological processes). Plant varieties, however, must be protectable either by patents or by a sui generis system.

With respect to the protection of layout designs of integrated circuits, the agreement requires parties to provide protection on the basis of the Washington Treaty on Intellectual Property in respect of integrated circuits which was opened for signature in May 1989, but with a number of additions: protection must be available for a minimum period of 10 years; the rights must extend to articles incorporating infringing layout designs; innocent infringers must be allowed to use or sell stock in hand or ordered before learning of the infringement against a suitable royalty; and compulsory licensing and government use is only allowed under a number of strict conditions.

Trade secrets and know-how, which have commercial value, must be protected against breach of confidence and other acts contrary to honest commercial practices. Test data submitted to governments in order to obtain marketing approval for pharmaceutical or agricultural chemicals must also be protected against unfair commercial use.

Part III of the agreement sets out the obligations of member governments to provide procedures and remedies under their domestic law to ensure that intellectual property rights can be effectively enforced, by foreign right holders as well as by their own nationals. Procedures should permit effective action against infringement of intellectual property rights



but should be fair and equitable, not unnecessarily complicated or costly, and should not entail unreasonable time limits or unwarranted delays. They should allow for judicial review of final administrative decisions.

The agreement would establish a Council for TRIPS to monitor the operation of the agreement and governments' compliance with it.

Ministerial Conferences

As per the WTO, the ministerial conference are to be held every two years to review and discuss the implementation of WTO agreements. Till 2002 four ministerial conferences have been held The fifth one was held at Cancun in Mexico in September 2003.

Cancun Development Round 2003

The Doha Round of multilateral negotiations was not a failure in the negotiations as much as a failure to agree on the parameters that would govern the negotiations. If the Doha negotiations are to live up to the tag of being a development round, the US, European Union (EU) and Japan have to do much more than accuse one another of unfair trade practices.

The post-Doha phase of the world trade negotiations has lead to the Fifth Ministerial Conference at Cancun in Mexico from 10 to 13 September 2003. This round of trade negotiations was to assume great significance, as the Doha meet agreed to defer some of the decisions. The most critical decisions centre upon agriculture, TRIPS, Special & Differential Treatment (S&DT) to developing and least developed countries and services, which have certain deadlines to be accomplished as mandated by the Doha declaration.

There were two immediate deadlines at the WTO for Doha's development agenda. First was the TRIPS deadline of December 2002, by which time the Trips Council was supposed to have solved the problems of the developing countries that do not have domestic, manufacturing capacity? This deadline has already been missed. The Trips Council has given up as a bad bargain and hence left to the Ministerial Conference in Cancun to solve the problem.

Trade Ministers from 22 countries (out of 25 who were invited) and the EU besides the WTO Director General Supachai Panitchpakdi attended 'informal mini ministerial conference' of the WTO, held at Tokyo from 14 to 16 February 2003, for making the Cancun ministerial a smooth affair. The Commerce and Industry Minister Mr. Arun Jaitley outlined India's position. The Union Agriculture Minister Mr. Ajit Singh also participated in the discussions.

Hard bargaining on agriculture took up a great part of the three-day conference. This was in recognition of the fact that the three biggest players in the global trade – the US, the EU and Japan – remain bitterly deadlocked on the issue. The overwhelming concern was with seeing that the Cancun Conference does not break up in acrimony like Seattle in 1999.

In December 2002, after a series of formal and informal consultations, the Chairman of the WTO Committee on Agriculture, Stuart Harbinson, put out a detailed paper reviewing the progress made. In early February 2003, he drafted a detailed set of "modalities" for agriculture, bravely seeking to average out the conflicting positions that had been advanced during the proceeding negotiations.

The report proposes that domestic support in the form of Blue Box payments or direct payments under production limiting programmes, liberally resorted to by the EU, be reduced to 50 percent over five years. Further, aggregate support, including input and price subsidies, are to be reduced by 60 percent over a similar period and export subsidies are to be completely phased through a two-step process: those accounting for 50 percent of budgetary outlay are to go at the end of six years and the rest at the end of nine years.

The US had been resolute in its opposition, but with the EU inhabiting the middle ground, significant inroads were made into its recalcitrance. The outcome was the Doha Declaration on access to essential life saving medicines for the diseases like AIDS/HIV, cancer, malaria and TB, which provided approval in principle, for the manufacture of cheap generic drugs through compulsory licensing.

Doha had produced a strong reaffirmation of the S&DT principle as a general principle of the WTO regime. India, which has been a strong proponent of S&DT provisions, faced a curious new ploy by the developed world at Tokyo. They said that S&DT and implementation issues were not issues of substance but of tactics. Strongly refuting this suggestion, Mr Jaitley pointed out that S&DT and implementation were integral elements of the Doha agenda. If issues of specific concern to the developing countries under the rubric of these themes – like anti-dumping, sanitary and



phytosanitary measures, technical barriers to trade and subsidies – were not constructively addressed, then the whole Doha agenda could unravel, he warned.

Collapse of the Cancun Meet in September 2003

A collapse at Cancun in 2003 speak poorly of the WTO. After two major failures at ministerial conferences in the past four years, the WTO now faces a crisis of confidence and legitimacy. The WTO does not seem to have done its homework properly before the Cancun Ministerial.

The G 21 Group led by Brazil, India and China (developing countries) and the Cairns group had put up their proposals pertaining to the most controversial issues of agriculture, TRIPS, public health issues and Singapore issues¹ for discussions at Cancun. Chairman of WTO Ministerial, Mexican Foreign Minister Luis Ernesto Derbez, had agreed to look into all proposals on agriculture including that of the G 21 countries before formulating the final draft. Derbez gave an instruction to this effect to Singapore Trade Minister George Yeu Yong-Bon, who was appointed as a facilitator for agriculture.

When the draft agenda was circulated among the member countries at Cancun, most of the developing and the least developed countries from Africa and Caribbean countries felt cheated as Singapore issues figured prominently. There was very little mention of the agriculture issue which they saw as formulated to accommodate the interests of the EU and the US. Concerns of the developing countries were thus not addressed.

The G 21 proposals on agriculture were based on three pillars – domestic support or subsidies, export support in terms of credit and market access, which referred mainly to the reduction in tariffs. The reason being that a large population of the developing countries depend on the farm produce for their living, hence their interests have to be looked after. The main imperatives in its national perspective are production of adequate food for domestic consumption and sustenance of its rural agricultural economy.

These objectives are hit at present by the high non-reducible domestic subsidies (generally known as ‘green box subsidies’) of the US and EU to the tune of \$ 300 billion. This category of subsidies has been treated in the WTO as non-trade distortive, hence they have complete immunity against reduction. This immunity is indefensible as these subsidies do give financial strength to the farmers of the US and the EU to continue with non-viable agricultural production. They therefore, certainly distort production and trade. If these subsidies continue, there will be no control on them. Farmers of India and other developing countries are constrained to run the greatest risk of severe unfair competition from imports in future. There was no discussion on the reduction of export subsidies as laid down in the AoA of the WTO.

Hence the G 21 countries demanded that these non-reducible subsidies, that is, the green box subsidies, of the major developed countries should be brought under discipline of reduction and eliminated within a specific time frame. Unfortunately the draft proposals at the Cancun left this issue untouched and insisted for resolving the Singapore issues.

The developed countries felt that for international trade to be genuinely free and fair, these issues would need to be incorporated. They pointed out, for instance, that of the total global trade in goods and services of \$ 6.1 trillion in 1995, as much as one-third was trade within companies – between the subsidiaries of the same multinational corporations (MNCs) or between a subsidiary and its headquarters. Clearly, there is a considerable link between the trade and investment.

India has many reasons to cheer about the developments at Cancun despite WTO’s failure in balancing the interests of the poor. The bulldozing tactics of the big two – the US and the EU – has been successfully stalled while the coalition of the developing countries that India was banking on withstood the pressure till the end of the ministerial meet. In the past the big two had managed to split such groupings during crucial meetings to scuttle resistance to key agreements.

With developing countries having withstood awesome pressure for the second time in a row, doing a repeat of Doha, a clear trend is being established now. The rich can not get away with ‘sideshowes’ and bulldozing if the poor stand together is the message that emerges, if the Seattle Ministerial – which also ended in a failure – is also taken into account. The invincibility of the big two is beginning to fade though they have given nothing away. This trend if continues in the next talks in December 2003 at Geneva will see the light of the developing countries.

The Singapore issues collectively refer to areas of trade and investment; trade and competition policy; trade facilitation; and transparency in government procurement relations to the WTO. These four issues first came up during the first



Ministerial Conference at Singapore in 1996 at the behest of developed countries. These were dropped for future rounds on the insistence of the developing countries including India as these issues were not clear in their understanding or interpretation.

IV. CONCLUSION

Is WTO a friend or foe of India? India is one of the prominent members of WTO and is largely seen as leader of developing and under developed world. At WTO, decisions are taken by consensus. So there is bleak possibility that anything severely unfavorable to India's interest can be unilaterally imposed. India stands to gain from different issues being negotiated in the forum provided it engages with different interest groups constructively, while safeguarding its developmental concerns. In absence of such a body we stand to lose a platform through which we can mobilize opinion of likeminded countries against selfish designs of west. Thanks to vast resources of developed countries they can easily win smaller countries to their side. WTO provides a forum for such developing countries to unite and pressurize developed countries to make trade sweeter for poor countries. Accordingly, India remains committed to various developmental issues such as Doha Development Agenda, Special Safeguard Mechanism, Permanent solution of issue of public stock holding etc. Apart from this, Dispute Resolution Mechanism of WTO is highly efficient. Chronological list of cases in WTO can be accessed here. Countries drag their trading partner to this body when action of one country is perceived to be unfair and violative of any WTO agreement, by other country. Why India stayed out of Information Technology Agreement-II in Nairobi? As many as 53 WTO members agreed in Nairobi to a seven-year time frame to scrap all tariffs on 201 IT products that account for an annual trade of \$1.3 trillion. Such a pact is touted to drive down prices of items ranging from video cameras to semi-conductors. However, India had been opposing such an agreement on fears that the deal would benefit only those countries (notably the US, China, Japan and Korea) that have a robust manufacturing base in these products, and not India. This Information Technology Agreement is being called ITA-II. Original ITA was signed in 1996. New ITA aims at expanding lists of items covered and total elimination of custom tariffs in 7 year framework. Since 1996 many new items have crept in electronics industry which remains outside the ambit of ITA. Current dismal state of Indian electronic industry is often attributed to ITA of 1996. This compelled India to keep certain electronic items tariff free which gave us infamous 'inverted duty structure'. Here, domestic products are charged to higher excise duty than custom duty on imports. This put Indian manufacturers at serious disadvantage in comparison to foreign vendors. It is expected that by 2020 India will consume electronic items worth \$ 400 billion. As per current situation, out of this it is likely to import atleast goods worth \$300 billion. Electronic hardware manufacturing is one of the main components of 'Make in India' and 'Digital India' program. Hence India stayed away from ITA-II.

How India's stand differs when it comes to services? From India's point of view, services present a different picture from agriculture and industrial tariffs. As an emerging global power in IT and business services, the country is, in fact, a demander in the WTO talks on services as it seeks more liberal commitments on the part of its trading partners for cross-border supply of services, including the movement of 'natural persons' (human beings) to developed countries, or what is termed as Mode 4 for the supply of services. With respect to Mode 2, which requires consumption of services abroad, India has an offensive interest. In sharp contrast, the interest of the EU and the US is more in Mode 3 of supply, which requires the establishment of a commercial presence in developing countries. Accordingly, requests for more liberal policies on foreign direct investment in sectors like insurance have been received. These developed countries are lukewarm to demands for a more liberal regime for the movement of natural persons. Unlike many developing countries, India has taken offensive positions in this area as it has export interests in information technology (Mode 1). The country also seeks greater access to the EU and the US in terms of the movement of natural persons, or what is termed as Mode 4 in cross-border supply of services. Lack of movement in Mode 4 due to opposition by the US and the EU may affect India's ability to offer much in other modes of services. India would also like to see issues like economic needs test, portability of health insurance and other such barriers in services removed. As far as delivery of services through commercial presence (Mode 3) is concerned, there is an increasing trend of Indian companies acquiring assets and opening businesses in foreign markets in sectors such as pharmaceuticals, IT, non-conventional energy, etc. This is further evidenced by the increase in Outward Foreign Direct Investment. India may, therefore, have some interest in seeking liberalisation in Mode 3, although it may need to strike a balance with domestic sensitivities in financial services. Mutual recognition of degrees, allowing portability of medical insurance, reducing barriers to movement of professionals, etc, are some of the areas of interest to India. An important issue relating to the delivery of services and liberalisation is domestic regulatory reforms. Appropriate domestic regulations are necessary to prevent market failure as well as to address issues like quality control, accreditation and equivalence, effective registration and certification systems, revenue sharing, etc, for protecting and informing consumers. In addition, regulatory frameworks can also advance transparency. Any market access commitments that India might make during the ongoing negotiations must be preceded by an effective regulatory framework. The hiatus in the negotiations could be utilized for putting into place appropriate regulatory regimes in different service sectors. Some experts are of the view that under the Uruguay



Round commitments, developed countries already have a liberal trade regime in Mode 1 (which covers Business Processing Outsourcing or BPOs) with regard to some of the service sectors of interest to India. Further research needs to be done to assess the extent of autonomous liberalisation undertaken by developed countries, which can be locked in during the negotiations, and consequent gains that can accrue to India. Further, even in the absence of additional liberalisation, India's service exports would continue to grow in view of its cost advantage and demography. India could also explore the possibility of finalizing mutual recognition agreements with the main importers of services, so that differences in national regulatory systems do not act as barriers to its exports. Should India provide market access in Higher Education? As we have read in General Agreement on Trade in Services, Mode 3 classification covers services provided by a foreign commercial establishment through physical presence in relevant country. Accordingly, western countries are pushing hard to get unrestricted access to Indian education sector under this mode and again India is defensive. India has already made some offers on this front to WTO in run up to Nairobi Meet. Topics are still under negotiation and discussion. Coverage of higher education in GATS will encourage treatment of education as a tradeable commodity. It is possible that any agreement will curb power of Indian government to provide subsidy and support to the sector. Further, it is likely to affect reservation policy of India. Further, foreign university will consume scarce educational human resource available in India, leaving less competitive domestic and public institution starved of good teachers. It is also feared that this will speed up process brain drain from India as foreign universities are likely to design courses under ambit of their parent institution. On other hand, India is in desperate need to create more and better quality educational institutions. Gross enrolment in higher education is just 12% while government aims to increase it to 30%. For all this, it is imperative that more investment is attracted in the sector. Overtime due to competition, students will get better educational alternatives and at cheaper costs. However, for this to happen, government has to draw certain redlines while negotiating on the issues of support to public institutions, scholarship to weaker sections and on its reservation policy. WTO Concerns Problems facing the WTO are: Dispute settlement cases continue to be filed for the time being and are being litigated. A civil dialogue over trade issues persists. Technical functioning is now wholly inadequate to meet the major challenges to the strategic relevance of the WTO in the 21st century. In critical areas, the organisation has neither responded, nor adapted, nor delivered. Dimensions of its structures and functions are fragile, creaking, and failing in parts. Functioning of state enterprises engaging in commercial activities is interfering with and distorting the operative assumption of the General Agreement on Tariffs and Trade (GATT)/WTO that international trade is to be conducted, principally, by private sector operators in response to conditions of supply and demand through price in a market economy. Many WTO members bear responsibility for the use of trade-distorting domestic subsidies. Agricultural and industrial subsidies have caused blockages in the system and prompted protectionist reactions in a number of WTO members. Blockage and deadlock in the Appellate Body stage of the WTO dispute settlement system triggered the present crisis. The WTO lost the critical balance between the organisation as an institution established to support, consolidate, and bind economic reform to counter damaging protectionism, on the one hand, and the organisation as an institution for litigation-based dispute settlement, on the other hand. For years now, the multilateral system for the settlement of trade dispute has been under intense scrutiny and constant criticism. The U.S. has systematically blocked the appointment of new Appellate Body members ("judges") and de facto impeded the work of the WTO appeal mechanism.

A vibrant WTO cannot accommodate conflicting economic models of market versus state. All WTO members will have to accept the operative assumption of a rules-based order steered by a market economy, the private sector, and competition. Launch negotiations to address the intertwined issues of agricultural subsidies and market access, while recognising that food security concerns will not disappear. A credible trading system requires a dispute settlement system that is accepted by all. Launch serious negotiations to restore the balance, and we must do so in an open-ended plurilateral manner that cannot be blocked by those who do not want to move ahead. GATT/WTO rules in a number of areas are outdated. New rules are required to keep pace with changes in the market and technology. Rules and disciplines on topics ranging from trade-distorting industrial subsidies to digital trade require updates. WTO Future Since the WTO is consensus-based, reaching an agreement on reforms among all 164 members is extremely difficult. One possibility moving forward could be a plurilateral agreement with a group of like-minded countries on a new set of rules that serve as an addendum (supplement) to the broader WTO. A reformed WTO will have to be constructed on the foundation of liberal multilateralism, resting on open, non-discriminatory plurilateral pillars, an improved Appellate Body, explicit accommodation of regional trade agreements, and appropriate safety valves for rules-based sovereign action. A reaffirmed commitment to the rules-based liberal market order with a development dimension must be the foundational starting point. India has to continue its effort to prevent issues of developmental importance to be sidelined. Until this is done WTO cannot impinge upon sovereignty of India. India has already marked red line in sectors such as agriculture by making it clear that there is no scope of compromise on its positions. West has relentlessly tried to project India as rigid and uncompromising negotiator. However, these attributes are better suited to U.S. and other developed countries. They have been backtracking on various commitments under Doha Development Round and desperately trying to bring in new issues including Singapore issues. These issues are prejudicial to interests of majority of countries and vast majority of population. Consequently, majority of countries stand with India after failure of every



meet. India needs to upscale its diplomatic capability. In recent Nairobi meet, it was seen that while developed countries spoke in unison, there was no such unity in developing countries. Brazil, a prominent member of WTO, has already broken away from G20/33 group and has aligned itself close to position held by developed countries; thanks to its globally competitive agricultural sector. India made a serious effort last year at India- Africa summit to arrive at common agenda for WTO and was largely successful. However, there needs to be larger combined effort in bringing on the common platform of developing nations in all continents. U.S. has been already doing it for several years and that's partly why it remains most assertive and subtle power in any negotiation.[20]

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