

WTO and Geopolitical Changes. Multilateralism and Coalitions of Members among Crises, Adaptation to Change and Rebirth

by Nico Frandi

ABSTRACT

A 21st century multilateral institution with its own dispute settlement body, the World Trade Organization (WTO) seems to represent better than any other organisation the complex soul of an ever-changing international community, where power and legitimacy are no longer based on the ideological and geographical factors that have characterised the UN system. This study draws on the differences between the WTO and the UN system to examine some geopolitical and strategic changes that have taken place at the dawn of the third millennium, focusing on the strengths and weaknesses of the WTO, in particular on the coalition systems, as well as the groups and lobbies within its heterogeneous membership.

*World Trade Organization (WTO) | United Nations | Multilateralism |
Regional integration*

keywords

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Introduction

When looking at the current structure of international relations, it is impossible to identify a univocal model, thus to describe a set world order where both the balance of power and its legitimacy are guaranteed *erga omnes* without being challenged. The kind of multilateralism built after World War II on the fragile legacy left by the ashes of the League of Nations has undergone the erosion of the resurgent nationalisms as well as the hits repeatedly placed by the main actor of that system: the United States. Furthermore, the logics that have guided the construction of alliances since 1945 – and which have forged the multilateral system that emerged from the Conferences of San Francisco and Bretton Woods – appear to be anachronistic. The UN system, built on the paradigm of a *superpartes* position to be granted to the five victorious powers that emerged from the global conflict (as crystallised in their Security Council's permanent member status), is nowadays largely ineffective. In fact, it no longer responds to the existing power structure among nations. The rise of new powers as well as the presence of new actors – not any longer necessarily of a State nature – resulted in greater fluidity among coalitions and power groups. Pragmatic and contingent interests, nowadays, forge coalitions much more than immutable ideologies.

Multilateral institution of the 21st century, post-Cold War, the World Trade Organization (WTO), was founded on 1 January 1995 by the Marrakesh agreements, fifty years after the UN. With a universal membership (164 members against the 193 UN members), a different decision-making system based on the golden rule

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of consensus, a Dispute Settlement Body, with limited action in the sphere of international trade, the WTO seems to better interpret the shifting spirit of an ever-changing international community, where the balance of power between major actors and their related spheres of influence has been overcome, and where the ideological aspects seem limited to the gap still existing between advanced and developing countries.

This study analyses the multilateral trading system, its strengths and its contingent criticalities, comparing it with the most senior UN system, and focuses in particular on the coalitions of members and their respective aggregative and pressing forms. From their differences it draws inspiration to observe some geo-political and strategic changes of the international community at the dawn of the third millennium.

1. Membership, coalitions and groups formation. The specific case of WTO

International organisations, characterised by a broad and heterogeneous membership, are not only the scenario for the formation of new coalitions based on common ideologies or negotiating goals, but are also capable of turning tacit or potential coalitions into explicit ones.¹

The term coalition could define both “any group of decision-makers participating in [...] a negotiation who agree to act in concert to achieve a common end”² and “a group of players that seeks to increase its payoffs by group strategy”.³ The first definition reflects what Narlikar defines as “alliances”, which are groups of states that act collectively during a limited period of time in order to reach a specific objective, while the second identifies “blocs”, that are based on a common ideology or on a shared political vision, aiming at establishing an ideological quorum which hopefully would be relevant in every occasion.⁴

Blocs need to look for the lowest common denominator among a plurality of specific needs; henceforth, their acting often reflects a negative stance more than outlining a proactive agenda. In this regard, it is noticeable that, on one side, blocs allow countries that have less available resources to maximise them and to better defend their interests, fostering their participation to the debate and focusing on a higher number of topics thanks to the development of common strategies. On

¹ Robert O. Keohane and Joseph S. Nye, “Transgovernmental Relations and International Organizations”, in *World Politics*, Vol. 27, No. 1 (1974), p. 39-62.

² Colleen Hamilton and John Whalley, “Coalitions in the Uruguay Round”, in *Weltwirtschaftliches Archive*, Vol. 125, No. 3 (September 1989), p. 547.

³ William B.T. Mock, “Game Theory, Signaling, and International Legal Relations”, in *George Washington Journal of International Law and Economics*, Vol. 26, No. 1 (1992), p. 44.

⁴ Amrita Narlikar, *International Trade and Developing Countries. Bargaining Coalitions in the GATT & WTO*, London/New York, Routledge, 2003.

the other side, alliances could be deemed particularly useful in addressing issues marked by a high degree of technicality and specificity. Since the founding of WTO in 1995, member states – which are now 164 – coalesced according to both those ways. When analysing the WTO coalitions over time, it is possible to obtain a useful picture of the potentialities offered by the plurality of aggregative forms, not only from a strategic point of view, but also with reference to the functioning of the multilateral system at large.

According to the General Agreement on Tariffs and Trade (GATT), the main actors of groups and coalitions were mainly developed countries, as developing ones have never been active in the context of the organisation. For the latter, GATT represented a mere substitute of the International Trade Organization (ITO), with the only difference being that the ITO would have had among its declared aims the international trade development, which was absent from GATT articles. Moreover, WTO goals were in contrast with the protectionist vocation shared by many developing countries during the 1950s and the 1960s. The reason at the base of the weak participation of developing countries, and thus the low number of coalitions which defined the first years of WTO, can be also found in the perception that those countries had to be part of a system whose decision process disadvantaged them. In fact, the mechanism of the positive consensus of the GATT, inherited by WTO through the Article IX of the Agreement, poses some limits to the participation of developing countries: the presence of a representative in Geneva might sometimes represent an onerous cost for the poorest states, or they might desire not to expose themselves on a certain issue, and their abstention would be considered as absence of objection and, thus, consent. The voting system of the GATT first, and of the WTO then, differs from that of other international organisations of economic nature (like, for instance, the International Monetary Fund) as it assures a vote for each member state, regardless of considerations based on dimension or economic strength, according to a universalistic ratio typical of the UN agencies. This means that, once the abovementioned obstacle of the “invisible weighting” is overcome, even developing and underdeveloped countries are able to express their dissent. This acquires increasing relevance in cases where the potentially disastrous effects of some decisions taken in the context of WTO and directed against the national interests of developing countries are considered, inasmuch as the rules negotiated in the multilateral venue are binding for national economies for a period of time which is generally unlimited. If the first coalitions born in the GATT mirrors the ones formed in the other organisations under the guidance of advanced countries, it is not surprising that developing states started to openly and collectively manifest their disagreement in the moment in which the Geneva-based organisation started to address sensitive issues, regarding which the introduction of shared international regulations would have been particularly costly from their point of view. In 1981 William E. Brock, representative of the USA, proposed to set up a new negotiating table with the goal of including services in the Agreement, a topic that developing countries were reluctant to liberalise, notwithstanding the fact that it represented a relevant quote of their GDP. The request was opposed by a unanimous chorus of sixty-one developing or underdeveloped countries, many of which were subsequently organised into a coalition, the G-10, destined to succeed in blocking

the launch of a new round. The G-10 is the perfect example of an ideological bloc based on North-South opposition. On one side, its achievements are due to the bargaining power exercised through the grouping of a considerable number of developing countries, on the other they are deeply linked to the particular context of the era in which it was born, and thus are difficult to replicate. The various coalitions that tried to imitate its structure had to face the weaknesses inherent in such an aggregative model. The heterogeneity of the member states, and their leadership in different markets, while on the one hand contributed to strengthen the coalition thanks to the practice of logrolling, on the other contributed to weaken the internal unity and, consequently, the perceived cohesion of the group. Moreover, blocks marked by such a wide participation, united by a shared ideology but having sometimes conflicting individual interests, often reflect on their agenda the will and interests of the strongest countries, a habit that questions the group's representativeness and transparency. It is nevertheless true that underdeveloped states, paying a price in terms of representativeness, have been able to exploit their belonging to the G-10 as an advantage in other negotiating tables. However, in the abovementioned example, the different stage of states' development was ultimately a weakness, as it led to the inevitable recognition of the usefulness of international regulation of services by some more advanced economies. The latter considered more convenient to plead their cause by joining the countries of the north of the world having interests similar to their own ones, setting the base for the birth of the G-20, also called the "*Cafè au Lait*" group because of the coexistence of both industrialised and developing nations. The G-20 represents the first example of a thematic coalition, or alliance, in the WTO. The grouping of countries united by a specific interest in services implied that the group was characterised by simplicity, sensitivity to changes and flexibility in defining the agenda and negotiation strategies. Those characteristics were the main reasons for its success, which however was – once again – closely linked to the peculiar endogenous and exogenous context in which the alliance found itself operating, and in particular with the fact that the topics dealt with were in line with the "first world" agenda, aside from being still undefined and vague, thus making possible the elaboration of a shared strategy.⁵ The main legacy left by this group should be searched in its investigative approach, based on the continuous research and sharing of information, which helped to clarify the interests of the coalition, in some cases determining the voluntary exit of some members, at the same time increasing internal cohesion.

In general, the higher the level of cohesion, the more efficient the shared strategy implemented by any group. The search for ever greater cohesion led to the creation of coalitions focused on a single issue or a single sub-sector, grouping both developed and non-developed nations. Nevertheless, the success of this model is closely linked to the existence of a division based on the resources available by the countries, on the advantage expected in the specific sector, and particularly if it is observable in the immediate or medium/long term, as well as the level of

⁵ Ibid.

specialisation of the national industries in the sector itself.⁶ Over the years, small developing member states have benefited greatly from participation in sub-sectoral coalitions, succeeding in gaining the support of actors who normally do not show interest in the theme of development.⁷ However, participation in such coalitions of larger nations, therefore with different and sometimes conflicting interests among the various sectors, has proved to be counterproductive. The emergence of contradictory priorities and incompatible objectives among the sectors of the economies of the larger states have repeatedly caused the slowdown of coalitions' agenda. The sub-sectorial model, therefore, appears to be a winner in the case of small developing economies in this regard, the success of the Cairns Group is particularly noticeable, as it managed to include the theme of agriculture in the agenda of the Uruguay Round), but it fails to provide an efficient aggregative solution to countries characterised by a strong negotiating power but a low degree of internal cohesion.

During the nineties, the proliferation of regional trade agreements (RTAs), led to an increase in the number of regional-based coalitions. Moreover, the latter are characterised by a peculiar status in the structure of the WTO. As a matter of fact, they are the only type of coalition that, in theory, enjoys a legal recognition by the organisation through Article XXIV of the Agreement. In practice, however, full legal recognition was conferred only to the European Union, being the only group of states that was conferred an additional EU seat in the WTO. The EU participates as a member whose vote is equal to the number of countries belonging to the Union. This means that the vote expressed by the European Union weights as 28 (soon perhaps 27) national votes, thus any possible action aimed at dividing this group of states is prevented not only by the exclusive EU competence on the matter, but also by the legal structure of the WTO itself.

Although the status of the European Union is atypical, it is possible to state that the WTO in general displays a tendency to favour regional-based coalitions. The secretariat regularly engages in capacity building projects, seminars and technical assistance for regional groups. However, coalitions that are based on RTAs are exposed to the risk of inheriting their weaknesses., This aggregative model appeared not to suit the needs of developing countries, mainly because of an "insufficient trading framework for the participants, which makes members competitors in substitutable products with little opportunity for intra-industry trade and differentiation".⁸ This coalition model therefore is reserved mainly

⁶ Ibid.

⁷ Christian Bjørnskov and Kim Martin Lind, "Where Do Developing Countries Go After Doha? An Analysis of WTO Positions and Potential Alliances", in *Journal of World Trade*, Vol. 36, No. 3 (2002), p. 543-561.

⁸ Sonia E. Rolland, "Developing Country Coalitions at the WTO: In Search of Legal Support", in *Harvard International Law Journal*, Vol. 48, No. 2 (Summer 2007), p. 501, <https://www.semanticscholar.org/paper/Developing-Country-Coalitions-at-the-WTO-%3A-In-of-Rolland/c187179d5547a7d46c53d6f58d0b7e0cb3889f2b>.

to developed nations.⁹ Conversely, regional-based coalitions not linked to pre-existing trade agreements enjoyed a wider success: among them, there is the Association of South-East Asian Nations (ASEAN) which, aware of its limited influence as regional economic group, played a leading role as an actor to the Uruguay Round negotiating table. Such kind of coalition could as well appear promising for developing countries, at least at a first glance. However, its feasibility is limited by the already high number of existing RTAs, which are unavoidably considered in the formation of regional groups.

During the Doha Round, member states detached themselves from the thematic-based aggregative trends of the eighties, of which they nevertheless retained the investigative approach, and gave rise to the formation of blocks based on the exchange of information and on research, with the aim to increase internal cohesion. Furthermore, this approach also defined the alliances formed during the same period, mainly involving developing countries.

In general, over time, there has been a growing overlap of national membership, which, although being costly for the less developed countries, greatly facilitates the exchange of information between groups within the same multilateral system. Many coalitions recognise information gathering as their main objective, with the goal of developing common platforms and similar negotiating positions for their members. As a side effect, these coalitions have acted as a point of contact between the organisation and the members of the group itself, and are therefore often supported by the activities of the secretariat.¹⁰ In addition to the activities of assistance specifically addressed to particular regional groups, the secretariat also adopts a bottom-up approach: member states are in fact free to request support for groups independently originated.

Differently, other coalitions are mainly negotiation-oriented, as they have the aim of raising the profile of some members, influencing the organisation's agenda, or pursuing specific results. They lead to an increase of the level of participation among member states, and consequently to an increase of the transparency of the system at large.

The coalition models presented in this section allows for the identification of some elements of strength that determine the success of the coalitions, be they blocks, alliances, or regional groups: a positive agenda, internal coherence and external presence, strong focus on research and information exchange that facilitate to relate to third parties. Coalitions, if efficient, can be a useful tool to improve the stability and transparency of the multilateral system, up to the point of coping with the lack of internal reforms.¹¹

⁹ Amrita Narlikar, *International Trade and Developing Countries*, cit.

¹⁰ Sonia E. Rolland, "Developing Country Coalitions at the WTO: In Search of Legal Support", cit.

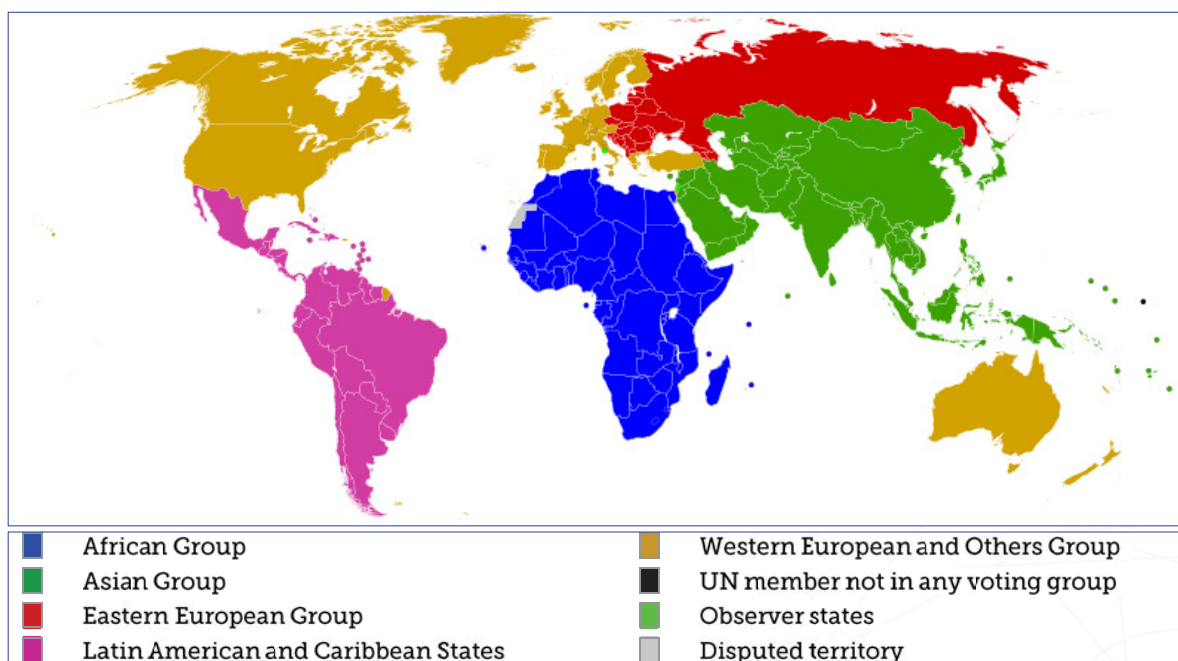
¹¹ Amrita Narlikar, *International Trade and Developing Countries*, cit.

2. The UN multilateral system: rise and fall of traditional coalitions

The multilateral systems of today seem very far from the ones established in the aftermath of World War II. A long series of disruptions have seriously harmed their effectiveness, threatening the stability of their structures and even questioning the reason for their existence. Far from claiming the failure of multilateralism, we must however recognise that some of the anomalies observable in the current scenario can hardly be reconciled with the UN system as it was conceived in its inception.

The map below (Figure 1) shows the main country aggregations as established at the end of the 1950s and 1960s.¹² Member states are grouped on a regional basis.

Figure 1 | UN regional groups



Source: *Map of the world showing the United Nations Regional Groups (as they are for election purposes)*, https://commons.wikimedia.org/wiki/File:UN_regional_groups.png.

Following this traditional regional division, we can primarily distinguish between developed countries, developing countries and less developed countries.

Among the developed economies, the largest group (Western European Group and other States) represent the so-called Western bloc. Within the Group of 7, the United States and the European Union often assume individual positions. The former Soviet bloc, under the Russian supremacy, includes also the Baltic provinces and central-Eastern Europe.

¹² At that time, the end of colonialism determined a sharp increase in the UN membership, soon translated into the institutional framework.

Developing economies are divided into the three regional groups (Latin America and the Caribbean, Africa, Asia and part of the Pacific). All the three groups show large disparities. As a result, countries with the highest growth rates (China in the first place) have started aggressive individual policies in the attempt to erode Western supremacy.

Finally, there are less developed countries in sub-Saharan Africa and South-East Asia which naturally tend to aggregate, and which numerically represent the majority Group.

Such division, other than reflecting the distinction between North and South, was also the result of regional homogeneity. Both these two determinants are now much less robust. On the one hand, as a consequence of the growing inequality induced by globalisation, the North-South gap has expanded even further. On the other hand, intra-regional differences are nowadays much more pronounced.

As mentioned before, some countries among those less developed in 1945 have demonstrated impressive growth, now placing themselves among the top major economies. Special administrative regions such as Hong Kong or Taipei have been recognised as individual economic powers, generating a new category of non-traditional actors. Consequently, they started to progressively disengage from the old regional structure, which was mainly the result of geographical and, most importantly, socio-economic proximity.

Is it therefore legitimate to question the validity of the traditional geographic criteria for regional grouping: does it still aggregate countries in the multilateral decision-making processes?

Looking at the sub-alliances which appear more frequently within the different multilateral fora, there is little doubt that many UN agencies still act consistently according to the traditional regional-based coalitions. The disarmament fora, for instance, is one where traditional alliances still apply – and where the post-war political beliefs are still strong – despite the standstill on many issues. In this sense, the Conference on Disarmament, supported by the specialised agencies, is the biggest legacy of the Cold War. Although nine countries are equipped with nuclear weapons, the major reserve of nukes is still shared between Russia (7,000 heads) and the US (6,800 heads), which reject any request to disarm by recurring to the “necessary defence” argument.

On the contrary, in other fora any residual of the traditional “Old Order” seems now to vanish. The recent global crises, if on the one hand have seriously harmed the traditional governance, on the other hand, have given rise to new and sometimes surprising convergences of interests. The economic and financial turmoil of the early 2000s led to a revival of Western protectionism, creating deep distance even among members of the same coalitions and disrupting the global value chains of the late 1990s. The economic and financial crisis has also fuelled the emergence of

new leaders. Market relations are now identified by a growing quantity of exchanges between developing countries (South-South trade) and a reduced contribution by the North. Western countries had to adapt to the rising influence on international markets not only of the largest Asian economies but also of the small but highly specialised countries from the South-East and the powerful “economic territories” such as Hong Kong and Taipei.

Moreover, religious radicalism coupled with economic rivalry, and the resumption of extremism, have created unpredictable convergences (the Israel-Saudi in anti-Iranian function) and fractures (the Gulf monarchies as opposed to Qatar, despite their historic regional alliance). On a global scale, the migration crisis, the largest since the beginning of the twentieth century, revealed all the intrinsic fragilities of the UN, globally, and the EU regionally. Multilateral discussions on the management of flows within the deputy agencies (the United Nations High Commissioner for Refugees, in concert with the International Organization for Migration and Office of the United Nations for Humanitarian Affairs) have shown little progress, with members unable to reach consensus on possible global solutions. Bilateral and regional agreements have acted as substitutes, but not without criticism, generating in some cases true systemic crisis (as in the case of the Dublin Treaty in the EU) while in other paving the way for their cancellation (as in the case of NAFTA with the US).

In synthesis, the regional aggregation criteria is weakened by the absence of homogeneous socio-economic conditions within countries. Moreover, the volatility and fragmentation of the single issues across entire regions require answers that are hardly provided through the logic of traditional political alignments. As a result, the post-war order and its web of multilateral fora seems inadequate to effectively face effectively the current global and regional challenges. The efficiency of the existing multilateral machinery is put under serious question.

In retrospect, when we look at the order established in 1945, we can trace concerns about its own effectiveness already back then. The decision-making structure that emerged from WWII was the result of the international order created in the immediate post-war period. Both the UN (at the international security level) and Bretton Wood Institutions (at the economic and financial level) were created by the winning powers with the aim to ensure reciprocal control as a basis for a sound international cooperation. The supremacy of the liberal democracies, the opening up of the markets for goods, finance and labour, the rise of multilateralism, as well as the Atlantic Alliance and the European Economic Community, were all part of the same international order (opposed to the Soviet bloc) whose idea of relentless, prodigious and progressive destiny had already fuelled Woodrow Wilson’s dream after WWI.

The “Great Five” (US, USSR, UK, France, China) established a major executive organ, the Security Council, where they serve as permanent members. Their power to veto any substantive Security Council resolution, including those on the admission of new members or candidates for Secretary-General, was the tangible expression of

their supremacy over the 10 non-permanent members, as well as to the rest of the UN membership.

Evidently, this design was in sharp contrast with the principle of jurisdictional and political equality among members, as expressed instead by the General Assembly. Furthermore, the values that were supposed to be promoted by the UN system were in fact shared only by the Western members (dominant at the time but not sufficient to create an effective decision making). For instance, when observing the composition of the signatory countries of the Bretton Woods agreements, it is impossible not to notice the absence of two out of the five permanent members of the Security Council. Of course, neither the Soviet Union nor China could have ever agreed with the imposition of a liberal economic scheme on a global scale. However, considering that both the UN and Bretton Wood Institutions originated from the same ground, it is legitimate to assume that the Soviet Union and China had entered only partially (and not without some alarm) the new multilateral architecture. The positions expressed by the two blocks appeared since the early years of the UN hardly reconcilable, rapidly evolving in a decisional impasse. Drawing a comparison with the Congress of Vienna in 1815, differences stand out clearly. The Congress was perhaps the first and the only time when a plurality of powers led by a shared political-ideological willingness, succeeded in restoring an International Order. More than a century later, a similar attempt was much less successful, with the lack of ideological unity being the major obstacle.

The alliance among the WWII winning powers, as translated into the highest decision-making organ of the UN system, rapidly shifted into a bipolar system of opposed hegemonic camps, destined to keep the world in suspense until the 1990s. The five permanent members of the Council had soon realised the difficulty in delivering concrete and effective decisions. Council decisions require a majority of at least nine of the fifteen members and the affirmative vote of all five permanent members, when deciding over non-procedural issues. The negative vote of one of the permanent members, the so-called veto, is therefore sufficient to block the decision.

In the decade 1945–1955, the Soviet Union systematically used the veto power to impede the accession of countries on the opposite side of the Iron Curtain. At the same time, between the 1960s and the 1970s, decolonisation led to the accession, as non-permanent members, of countries hostile to American policies. As a result, the US, supported by the United Kingdom, exponentially increased the use of veto power to block any initiative. This impasse was not so much the result of the presence of an inner circle of superior powers among all other members (in an organisation with a universal vocation) but rather the coexistence and incompatibility of opposed ideologies within the membership.

In the nineties, the international community moved its first real attempts to reform the United Nations in order to adapt its Security Council to the new geopolitical balances meanwhile emerged. The persistent failures of the international community in managing the many regional crisis erupted after the fall of the

Berlin Wall (from Somalia to the Balkans) and the collapse of the Soviet Union had progressively made the need for internal reform evident and urgent. Efforts had been mainly directed to change the composition of the Security Council by either raising the number of permanent seats to include new emerging powers, or by enlarging the organ with more non-permanent seats. No effort, however, reached the necessary consensus. The gridlock which impeded an effective reform did not prevent new actors from assuming ever growing roles, included the rise of a yet unknown dynamism within multilateral institutions.

From the economic standpoint, the financial crisis that erupted in 2007 changed the landscape of the pivotal actors, with the Western democracies losing ground to new emerging powers both in Latin America and in Asia. Globalisation at the end of the 1990s had already changed the traditional North-South market relations. The rate of inequality between countries did reduce while, conversely, inequalities intra-state increased. Furthermore, technological innovations stimulated the creation of a strong network of production interdependencies, i.e. "global value chains". The world by then looked already very different from the one preconized by some Western politicians and academics only ten years before, the world of a "Pax Americana". The fragmentation and regionalisation of power has gone hand in hand with a globalisation that was progressively revealing all its intrinsic vulnerability. The US found itself in a corner having to choose between striving for supremacy in a world with a growing number of potential competitors or ceding to the temptation of isolation. In this sense, the recent development in the US politics are signalling an alarming ambiguity in its willingness to continue exercise a leading role in global politics.

No other emerged or emerging power, however, seems ready to step up and occupy the vacuum left by the United States. China is the main trade (and political) competitor of the United States, but its state economic model constitutes a serious limit to its international commitment as a multilateral leader. Russia is constrained by international sanctions imposed for its aggressive regional policy. The European Union, less cohesive than in the 1990s, struggles to occupy a full leadership position while Japan is suffering from a pro-longed stagnation. As to the other BRICS, Brazil, India and South Africa remain hostages, albeit in various degrees, of their battle for development, whether it is to extract contingent advantages or to defend ideologically the heterogeneous category of developing countries.

The global leadership crisis has come hand in hand – and has in turn produced – many other sources of instabilities: the emergence of new economies to fuel regional tensions, the humanitarian crises and the subsequent migrations which are impacting on Western demography, the resumption of the ideological conflict between Islam and the West, and the threat of international terrorism.

In such a complex scenario, the system of alliances has become more and more labile, and subordinate to the persistent change in priorities, interests and ideologies. At the same time, a widespread political scepticism towards multilateralism ("sovranism" in America and in Europe), and the multilateral trading system in

particular, has added a layer of complexity. An increasing number of countries are now acting suspiciously about any form of supranational interference, calling for sovereignty and autonomy (more “policy space” for developing countries in Africa or the right to veto a certain multilateral system from renewing itself, as in the case of the WTO/DSB with the American criticism towards the AB). The rise of populism across Western countries is a dramatic consequence of this climate and, in turn, is the fuel for further crisis and instability. Even Brexit can be added as both a consequence and a source of further instability. Certainly, the outcome of the referendum in the United Kingdom and the result of the last American elections can be traced back to a contemporary malaise rooted in the loss of those founding values at the core of Western civilisation: inclusion, alliance, tolerance, cooperation, liberalism tempered by social justice. In front of a community of emerging states and non-state actors that is pressing for recognition and inclusivity, multilateralism struggles to act as a glue. Trump’s motto, America first, is emblematic of this new course of history.

In conclusion, if until the 1990s, the UN structure, even with its structural inefficiencies, still reflected the international order, the same cannot be said for the last twenty years.

3. The multilateral trading system: an alternative vision of geopolitical changes and global strategic positioning

Created to incorporate GATT and previous trade liberalisation agreements, the WTO, stemming from the 1994 Marrakech Agreements, differs in many respects from every UN organisation and agency.

With the same universal vocation, the WTO enjoyed a broader starting membership, 74 founding states, compared to the initial 46 signatory states of the UN charter. It is therefore implicit that since its inception, the Geneva-based organisation had to take into account the needs of many smaller and less developed states than the Western powers, inevitably resulting in more equality than in the United Nations.

The equal character of the organisation is also functional and responds to the need to establish a multilateral system of a commercial nature. In fact, the underlying assumption which makes a certain market system durable – and desirable – is that it produces advantages for the participating states which they could otherwise not obtain under conditions of autonomy. The presence of reciprocity conditions (application of the most favoured nation clause) becomes here fundamental. Far from affirming that certain market conditions are equally beneficial for all member states, or that some of them are not under strong pressure from others, sometimes having to succumb to the economic power of the latter, it is reasonable to think that the expansion of the membership (today 164 members) is also due to the assumption for the potential new members of gaining the same benefits of all other members once they have joined the multilateral trading system.

Finally, it is useful to consider how the structure and internal organisation of the WTO differ from the UN in as much as they are relatively less complex and with no superior and restricted decision-making organ. No institutional subdivision based on different membership criteria exists: this allows the basic condition for greater democratic decision-making (consensus only).

These characteristics are reflected in the galaxy of coalitions, alliances and modalities of aggregation among member states, which have little to do with the respective regional aggregation criteria typical of the UN system. As can be observed from the chart below, the 164 member states are organised into regional groups (e.g. Group of African, Caribbean and Pacific states, African Group, European Union, ASEAN), with general interests – they represent very vague camps, which tend to coalesce when the issues under consideration do not presuppose major attention to national interests. What rather tends to prevail – and here we can already understand another important difference with the UN – is that members, when discussing individual issues, pay very little attention to the traditional political convergences, indeed they rely on precise elements of economic convenience. Such attitude is further confirmed by the activity of the Dispute Settlement Body, to which members have very little restraint to resort to (see references to the number of disputes initiated in recent years).

We can therefore further distinguish between thematic groups with a general interest (e.g. least developed countries, G-90, G-33, small vulnerable economies, recently joined members) and specific interest groups (e.g. Cairns, Tropical Products, C-4). The table below (Figure 2) gives an overview of the complicated galaxy of coalitions within the WTO. The appendix lists the different formations in detail.

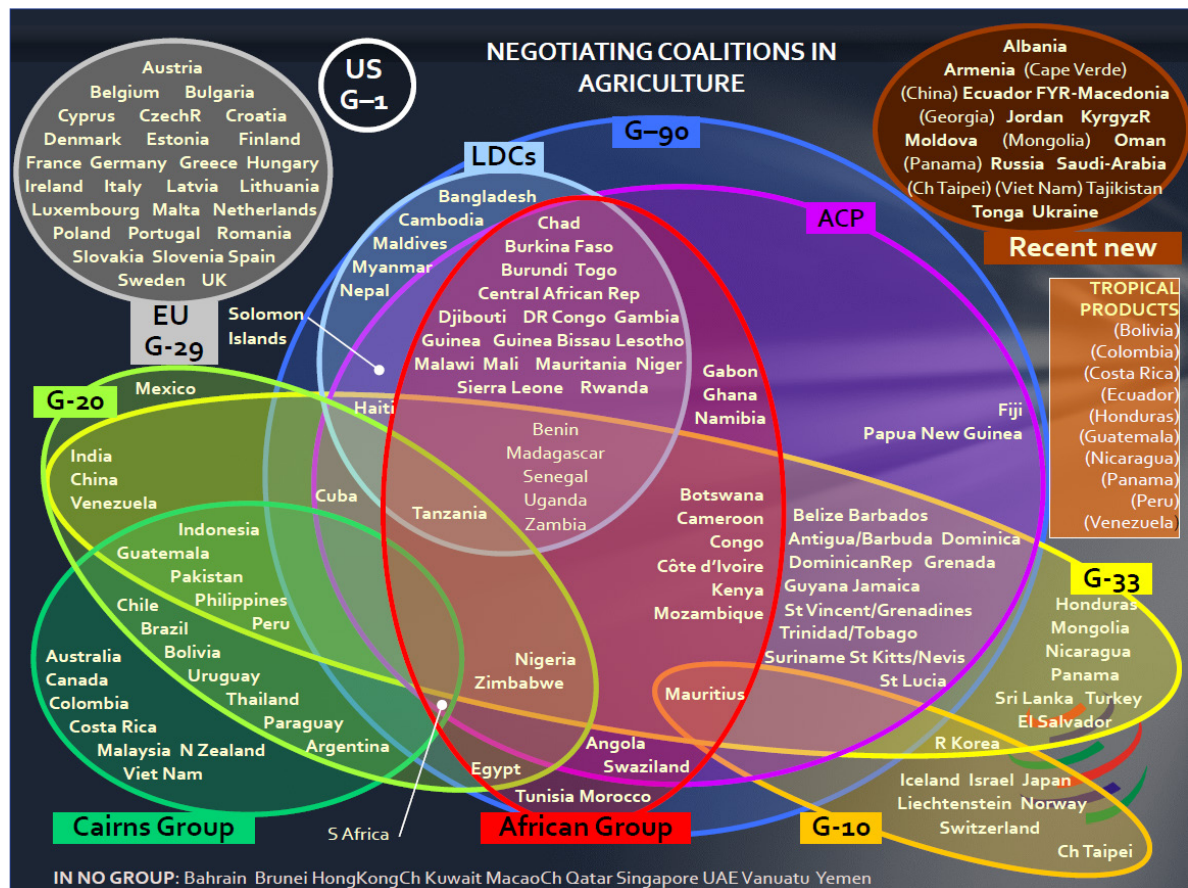
Abstracting momentarily from the aggregative structure of the WTO membership – which seems more effective as it is less anachronistic and more responsive to the current evolution and variable compositions of its members – we cannot, nevertheless, neglect the deep crisis that has been affecting for at least a decade the Geneva-based organisation.

The fiasco of the last ministerial conference, held in Buenos Aires in December 2017, opened a profound reflection on the ability of the WTO to continue to act as an important multilateral forum for the progressive liberalisation of international trade. Both the negotiating function and the disputes settlement function are called into question.

The WTO crisis digs its roots in the economic and financial crisis which started in 2007 and then emerged and spread worldwide in 2008, and in the progressive slowdown of the commercial expansion at the global level – with the most significant contraction recorded in 2016. The no-global movements that emerged in the 1990s strengthened during the aforementioned crisis and made a quantum leap, shifting their attention from the theoretical damaging effects of globalisation to the recognition of the existing inequalities that the liberalising

waves had progressively introduced, or expanded, in recent years. The themes of inclusiveness and of a sustainable trade have begun to occupy the agendas of every negotiating table, in the belief that important corrections should be sought and introduced to stop the growing gap between the few member states that have profited from international trade, and the many who have suffered it. Such a gap does not only concern states but opposes large multinationals to small and medium-sized enterprises; entire regions and actors open by nature to trade – because of their peculiar history and internal organisation – to island and land-locked states defined by a disadvantaged trade position. A gap, finally, that invests negatively women and young generations.

Figure 2 | Negotiating coalitions in agriculture



Source: WTO website: *Groups in the agriculture negotiations - Visual representation of how the agriculture groups intersect*, December 2014, https://www.wto.org/english/tratop_e/agric_e/negoti_groups_e.htm.

The twenty three-year history of the WTO is punctuated by the constant and delicate search for a balance between rules and exceptions. During the over forty years of the GATT, few rules and many exceptions marked the system of international trade. With the WTO, an attempt was done to overturn this paradigm ensuring the certainty of many rules and the limitation to a few exceptions, with the aim of making the advantages of free trade mutually attractive.

From 1995 to 2015, albeit alternately, it was possible to make significant leaps forward in trade liberalisation through bilateral or plurilateral agreements; while the Dispute Settlement Body (DSB) consolidated the certainty of the regulatory framework. In 2001, the Doha Development Agenda was supposed to guarantee the benefits of trade prospectively to developing countries as well. It was a “grand bargain” between advanced countries (the United States and the European Union in the lead, which should have opened their agricultural markets) and developing countries that should have lowered tariffs on industrial products. With over 20 distinct tariff areas covered, the Doha Round led to the conclusion of the broader “single undertaking” agreement.

However, the “grand bargain” has not held up to the impact of China’s entry into the WTO, which took place in that same year. As a developing country, China soon became “the great spoiler”. Many of the emerging countries (Brazil, Russia, India), on which the advanced ones counted for the progressive liberalisation, saw themselves directly threatened by Beijing and by the potential invasion of low-cost products from China.

After an inconclusive decade, starting in 2011 a slow but inexorable work began to deconstruct the rigid system that rose with great hopes in Marrakech in 1995. With the Eighth Ministerial Conference the “single undertaking” was effectively abandoned and the road opened to limited and/or partial sectoral agreements, such as the Trade Facilitation Agreement (TFA) of 2013. India, disappointed by the failure to implement the Doha Development Agenda, introduced Public Stockholding for Food Security Purposes (PSH) also alienating part of the developing countries for which it had hitherto acted as a staunch paladin. The Bali Conferences of 2013 and Nairobi of 2015 boasted partial successes while continuing the deconstruction work started a few years earlier. In Nairobi, the so-called “new themes”, including the very relevant digital commerce, appear on the agenda, and members agreed on the policy of small steps while “agreed to disagree” in terms of the Agenda for development. In fact, the Doha Agenda was considered dead by the advanced countries. From the small steps of Nairobi to the zero passes of Buenos Aires, the jump was short. Once the negotiating impasse of 2017 was verified, in the midst of a crisis of leadership with the United States that has become refractory and even hostile under the Trump administration, the Eleventh Ministerial Conference officially decreed the beginning of the deconstruction of the multilateral trading system.

Are we therefore at a turning point for the WTO? An organisation in terminal crisis or at the crossroads of a definitive skin change making it suitable for the new Millennium: efficient because flexible, pragmatically vital because not caged (unlike many other international organisations) in sterile ideological oppositions?

Having verified the impossibility of multilateral results (an option that remains preferable), negotiations are launched by the “coalitions of the willing” with variable composition, in an “open-ended” format, with the aim of reaching plurilateral agreements subjected to the “most favoured nation” clause and to the

DSB disciplines, i.e. gradually evolving towards genuine multilateral agreements. Finally, flexible multilateralism does not exclude the plurilateral path tout court, i.e. agreements between “like-minded” members without the application of the aforementioned clause. This updated version of the WTO negotiating function is strongly supported by the European Union, which makes it one of its four post-Buenos Aires priorities. Brazil, Australia, Japan – subscribers of all the joint declarations of Buenos Aires – have supported this approach. South Korea, Singapore, New Zealand, Canada, Argentina and the other Latin American countries have followed suit. Only India, South Africa and a few other less developed countries seem oriented – but also isolated – to remain on an anachronistic position of intransigent defence of the outdated Doha Agenda, and its SDT corollary. China stands out, with its ambiguous position, interested on the one hand to advance cautiously on new issues (e-commerce and investment facilitation) but not ready, on the other hand, to immediately renounce all the exceptions that its status of developing country implies. The United States, for its part, had passed with the administration Trump from the role of careful but always “engaged” engine of the WTO to a passive and careful selective engager.

The situation described above about the WTO’s negotiating function is negatively counterbalanced by the current crisis of the Appellate Body (AB) of the Dispute Settlement Body (DSB), where the number of operational judges has fallen from seven to three because of the impasse in the process of replacement of the outgoing members caused by the rigid US veto. The crisis is exacerbated by the exponential growth of the appeals and the panels to be set, with the real risk of a paralysis of the organ by December 2019.

Let us look first at the success and the growth of cases in the DSB and in the AB.

Indeed, by examining the number and the composition of the disputes initiated between 1995 and 2017, two well-defined trends emerge. From 1995 to 2002, the DSB had to cope with a clear increase in the number of disputes, as well as a general tendency of members in submitting issues initially considered not to be in the DSB jurisdiction, with a considerable increase in its workload.¹³ In the same period, we witnessed the greatest expansion of global trade and the highest level of success in negotiations. Since 2002, the number of disputes decreased, albeit with an oscillating rate. The total number of disputes from 1995 to 2017 is 535, more than a half (279) of them date back to the period 1995–2002.

Table 1 shows the top ten countries in relation to the number of disputes for the periods 1995-2002 and 1995-2017. The main actors stay the same (advanced economies as well as major emerging economies), whilst an under-participation of developing countries is recorded.

¹³ John H. Jackson, “The Role and Effectiveness of the WTO Dispute Settlement Mechanism”, in Susan M. Collins and Dani Rodrik (eds), *Brookings Trade Forum 2000*, Washington, Brookings Institution Press, 2001, p. 179-219.

Table 1 | DSB disputes: first ten members (1995–2017)

1995-2002		1995-2017	
United States	73	United States	114
European Union	60	European Union	97
Canada	23	Canada	35
Brazil	22	Brazil	31
India	15	Mexico	24
Japan	11	Japan	23
Mexico	10	India	23
Argentina	8	Argentina	20
Thailand	8	South Korea	17
South Korea	7	China	15

Source: WTO official database: *Disputes by member*, https://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

While in the first period the top ten countries absorb almost the entirety of the disputes (237/279), in the second period the number of disputes of the top ten countries falls to 162. This indicates that in the second period a considerable number of disputes (112, to be precise) has been brought by countries whose activity in the first period was practically null (developing countries and LDCs).

Scholars have identified different (but not conflicting) causes underlying this phenomenon. Firstly, let us consider the inactivity of a consistent part of the membership towards the use of the DSB. The first factor, of a political-economic nature, was demonstrated by Bown (2005). Evidence suggests that, despite the presence of concrete market interests, a country is less inclined to participate in WTO's disputes when it has "inadequate power for trade retaliation, if it is poor and does not have the capacity to absorb substantial legal costs, if it is particularly reliant on the respondent country for bilateral assistance, or if it is engaged with the respondent in a preferential trade agreement".¹⁴ In short, for LDCs the disadvantages of engaging in a dispute tend to outweigh the advantages, even if a judgement in their favour would be highly likely.

The second factor is closely linked to the need to guarantee the expectations of the organisation's autonomy, which often acts to the detriment of the real impartiality of the DSB. Indeed, if on the one hand developing countries often refrain from pursuing disputes against economically strong countries or, more simply, against countries that are willing to guarantee them preferential conditions; on the other hand, the AB often tends to shape its decisions in order to reduce obstacles to

¹⁴ Chad P. Bown, "Participation in WTO Dispute Settlement: Complainants, Interested Parties, and Free Riders", in *The World Bank Economic Review*, Vol. 19, No. 2 (2005), p. 308, <http://documents.worldbank.org/curated/en/717131468339568713>.

compliance when the defendants are deemed to be in a position to fail to comply with an infringement, thereby jeopardizing the legality of the entire system.¹⁵

Nevertheless, from a certain period onwards, the composition and the participation of members has gradually changed: initially the strongest countries were acting aggressively (mainly against their peers), later developing countries have increasingly begun to take an active part in this process. The existing literature explained this behaviour by theorising a pathway of modalities of participation that evolves over time, based on the degree of confidence in the organisation's procedures by its members.¹⁶ In the first years after its accession, a new member unfamiliar to the WTO's legal provisions tends to focus on learning the complex system of rules and therefore its activity as a complainant remains particularly low; only with well-established confidence, it starts to participate in the litigation system as a party to the dispute. This theory is convincing for late acceding countries (ex-Soviet countries and China) but it is not enough to explain the behaviour of developing countries and LDCs that joined the organisation since its establishment. It is therefore logical to connect the efficacy of the negotiating function with the recourse to the judicial function: the smaller the former, the greater the use of the latter. In other words, members began to turn more heterogeneously to the DSB when the traditional negotiating platform began to lose decision-making ability. The use of the DSB has allowed many more countries, if not to equally compete, at least to make their voices heard and, more generally, it has facilitated the membership to relinquish or to soften from the strict and traditional coalitions' structure.

Let us now return to the current crisis of the DSB/AB. The alleged procedural reasoning by which the US started to block the appointment of new judges refers to article 15 of the rules of procedures, which provides the option for the judges at the end of their term to continue to deal with the pending cases attributed to them, without taking on new ones. This opportunity, never challenged until present, has been exercised regularly for short periods of time (one quarter) to allow the transition between outgoing and incoming judges. In the current situation, characterised by the contraction in the number of judges operating, and the dramatic increase in the number of appeals, the application of article 15 would be warped, leading to periods of prolonged activity of judges whose term of office is already expired ten – or more – months before. If the AB would be able to operate with or without the application of article 15, the time required to establish the panels, to study the cases and finally to formulate a judgement, would be so long as to discourage the request for appeal and even the recourse to the DSB by the offended members. Not only the perspective of a final binding judgement would fail but also the deterrent aspect of

¹⁵ Geoffrey Garrett and James McCall Smith, "The Politics of WTO Dispute Settlement", in *UCLA Occasional Paper Series*, July 2002, <https://escholarship.org/uc/item/4t4952d7>.

¹⁶ Henry Gao, "China's Ascent in Global Trade Governance: From Rule Taker to Rule Shaker, and Maybe Rule Maker?", in Carolyn Deere Birkbeck (ed.), *Making Global Trade Governance Work for Development. Perspectives and Priorities from Developing Countries*, Cambridge, Cambridge University Press, 2011, p. 153-180.

the whole procedure towards countries that have adopted protectionist measures or, in general, measures contrary to the WTO, would vanish.

The need to “seek justice” does not spare the US itself, however. Therefore, the American position appears somehow contradictory: on the one hand, it makes use of – and benefit from – the system (they lose and win appeals no more and no less than other competitors); on the other hand, it tries to bring the system to the collapse. The solution to this long-standing crisis passes perhaps through the reform of the DSB, attempted and never succeeded in more than 15 years of work in its Special Session.

Beyond Rule 15, the US dissatisfaction for the AB activity has been spoken out clearly over the past few months. It is evident in the tendency of the AB to place itself above members, in its willingness to override the function assigned to it by members in the Dispute Settlement Understanding (DSU), by developing jurisprudence in the form of precedents (“overreach”). The US has always seen the multilateral trading system as a voluntary contract between the parties. Particularly under the current Administration, which has made of the slogan “America first” a reality check for its policies, the US does not tolerate the imposition of rules or judgements by an external body, unlike the EU for example, where European law and the jurisprudence of the European Court of Justice are superordinate with respect to those of its member states.

Ultimately, it remains up to the WTO members to decide whether to maintain the DSB with its characteristics of autonomy, impartiality and certainty, or to try to reform it with the consent of all, or finally to push it in a grey area where, without efficacy, it would function as any other mechanism of inter-state arbitration.

Placing the current US policy in the broader perspective of the WTO history, and linking the advent of the multilateral trading system as we know it today to the GATT system that preceded it for almost fifty years, one can observe a constant albeit precarious attempt to strike a balance between rules and exceptions. Such a balance that could allow developed countries to continue growing economically while letting developing countries to develop, but without reaching and outclassing the former. When the WTO was founded in Marrakech, it favoured the rules rather than the exceptions (contrary to the GATT system) because they were useful to govern globalisation. The WTO as we see it today, however, has created too many rules, including through the DSB. Those rules are not anymore exclusively the normal consequence of a process of consensual negotiation among its members. The WTO has cemented a system of exceptions that is no longer fair and justifiable, where China (but not only) is still a developing country benefiting systematically of the special and differential treatment.

Conclusion

In his last work, Henry Kissinger in analysing the three levels of world order – the national level (as geographically limited to a defined region and civilisation), the regional and the international one – introduces two criteria on which such orders stand: “a set of commonly accepted rules that define the limits of permissible actions and a balance of power that enforces restraint where rules break down, preventing one political unit from subjugating all others”.¹⁷ Hence, power and legitimacy are crucial to the holding of each order. The redefinition of the legitimising principles and the impossibility of agreeing to a significant change in existing power relations have always been the main challenges to the established orders.

In the 21st century, the economic globalisation has not been matched by an equally global political order. Decision making structures with a global vocation, such as G-7/8 or G-20, have proved to be inadequate. To the rise of new powerful actors – the BRICs but above all China – did not correspond an adequate redistribution of power. On the other hand, the most needed rebalancing of power has not taken shape in the UN system and it struggles to materialise in the WTO system. Predatory economic practices by Beijing have given rise to progressively defensive – and ultimately aggressive and protectionist – actions by the US. Those who had traditionally been the strenuous defenders of the different multilateral frameworks have in the end become the most critical; and in some cases they have gone so far to even exit tout court certain multilateral organisations (as in the case of the UN Human Rights Council and UNESCO). Instead, those that had been left out – until 2001 China was not a WTO member – now stand out as paladins of that constituted system. The progressive worldwide expansion of the set principles and the consequent benefits underlying a particular order has concretely affected the inherent balance of power. Today, those who have remained out of the order, or those who did not benefit from it, require inclusiveness and equal treatment. In the economic and commercial sphere, this claim concerns all developing countries which insist on the granting of the special and differential treatment, on the transfer of appropriate technology and the defence of their policy space. Advanced countries oppose the argument according to which the necessary and legitimate aspiration towards development cannot be translated into general and permanent exemptions from WTO obligations. The aspiration towards the development status should be modulated on the basis of country’s specific needs in a flexible and pragmatic manner. Furthermore, such aspiration – which is ultimately a call for inclusivity – goes beyond national borders to embrace small and medium enterprises, as opposed to large multinational corporations, as well as woman and young entrepreneurs, as opposed to large industrial and commercial companies.

While the current WTO crisis, examined in Section 3, is certainly acute, it does not seem to be vital. If we carefully observe WTO activities, if we look at its peculiar

¹⁷ Henry Kissinger, *World Order*, New York, Penguin, 2014, p. 9.

architecture of aggregative coalitions and membership grouping, if we draw lessons from the differences that exist between the UN system and the WTO, the latter rather appears to be well equipped to incorporate the (inevitable) change in the balance of power among its main actors, as well as to encapsulate the evolving redefinition of its legitimate aspects. The current decision-making and judicial impasse could be transitory towards new architectures and new balances. What is currently underway, then, could be nothing more than a further step towards the deconstruction of a multilateral system that is still considered useful by its members, albeit in need of a major streamline and update. The opportunity to renew the system and adapt it to the changing circumstances could be seized and it is deemed at reach: on the one hand, by legitimising plurilateral negotiations (it does not matter whether they are multilateralised at a later stage through the MFN clause); on the other hand, by reforming the DSB in ways to align it to the membership's will and expectation. A concrete revival of the WTO negotiating function will have to pass through a solution of the "Chinese problem" (and the differentiation among the developing members) as much as a reinvigorated judicial function will have to pass through a reformed DSB where all members, no one excluded, would feel comfortable.

If we take into account its incipient status, an extended but not yet universal membership, an internal organisation that escapes the traditional multilateral frameworks, a consensual decision system but eventually open to majority solutions, we might find perhaps sufficient indicators that the WTO possesses the inner strength and flexibility to overcome its vast crisis.

By looking more closely to its history – just over two decades that embrace the first real and completed economic-commercial globalisation and a technological leap forward (the so-called "Fourth Industrial Revolution") – as well as to the specific characteristics of its membership (not all state actors), whose heterogeneity escapes exclusive geographical contiguity and/or regional opportunity, we could perhaps better grasp the main geopolitical changes that are underway at the dawn of the 21st century; and we could thus aim at better interpret the medium-long term trends which will contribute to shape new forms of international orders.

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Appendix: WTO groups and coalitions

Groups	Description/theme	Countries
ACP	African, Caribbean and Pacific countries signatories of the Lomé convention with the EU Nature: Geographical Themes: Agricultural preferences http://www.acp.int	WTO members (62): Angola, Antigua and Barbuda, Barbados, Belize, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cabo Verde, Central African Republic, Chad, Congo, Congo (Democratic Republic of), Côte d'Ivoire, Cuba, Djibouti, Dominica, Dominican Republic, Fiji, Gabon, Gambia, Ghana, Grenada, Guinea, Guinea-Bissau, Guyana, Haiti, Jamaica, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Papua New Guinea, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and Grenadines Islands, Samoa, Senegal, Sierra Leone, Seychelles, Solomon Islands, South Africa, Suriname, Swaziland, Tanzania, Togo, Tonga, Trinidad and Tobago, Uganda, Vanuatu, Zambia, Zimbabwe WTO observers (8): Bahamas, Comoros, Equatorial Guinea, Ethiopia, São Tomé and Príncipe, Somalia, Sudan, Timor-Leste Not WTO members or observers (9): Cook Islands, Eritrea, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Tuvalu
African Group	African members of the WTO Nature: Regional Themes: General	WTO members (43): Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cabo Verde, Central African Republic, Chad, Congo, Congo (Democratic Republic of), Côte d'Ivoire, Djibouti, Egypt, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Seychelles, Sierra Leone, South Africa, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe
Asian developing members	Asian developing WTO members. Announced in document WT/GC/COM/6 of 27 March 2012 Nature: Regional Themes: General	WTO members (31): Bahrain, Kingdom of, Bangladesh, Brunei, Cambodia, China, Hong Kong, India, Indonesia, Jordan, Korea (Republic of), Kuwait, Kyrgyz Republic, Laos, Macao, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Oman, Pakistan, Philippines, Qatar, Saudi Arabia, Singapore, Sri Lanka, Taipei, Thailand, Turkey, United Arab Emirates, Vietnam
APEC	Asia-Pacific Economic Cooperation forum Nature: Regional Themes: General https://www.apec.org	WTO members (21): Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Korea (Republic of), Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Singapore, Taipei, Thailand, United States, Vietnam

ASEAN	Association of Southeast Asian Nations Nature: Regional Themes: General https://asean.org	WTO members (10): Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam
Mercosur	Common Market of the Southern Cone Nature: Customs union Themes: General http://www.mercosur.int	WTO members (4): Argentina, Brazil, Paraguay, Uruguay
G-90	African Group + ACP + LDCs Themes: General	WTO members (72): Afghanistan, Angola, Antigua and Barbuda, Bangladesh, Barbados, Belize, Benin, Botswana, Burkina Faso, Burundi, Cambodia, Cameroon, Cabo Verde, Central African Republic, Chad, Congo, Congo (Democratic Republic of), Côte d'Ivoire, Cuba, Djibouti, Dominica, Dominican Republic, Egypt, Fiji, Gabon, Gambia, Ghana, Grenada, Guinea, Guinea-Bissau, Guyana, Haiti, Jamaica, Kenya, Laos, Lesotho, Liberia, Madagascar, Malawi, Maldives, Mali, Mauritania, Mauritius, Morocco, Mozambique, Myanmar, Namibia, Nepal, Niger, Nigeria, Papua New Guinea, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Senegal, Seychelles, Sierra Leone, Solomon Islands, South Africa, Suriname, Swaziland, Tanzania, Togo, Trinidad and Tobago, Tunisia, Uganda, Vanuatu, Yemen, Zambia, Zimbabwe WTO observers (10): Bahamas, Bhutan, Comoros, Equatorial Guinea, Ethiopia, Sao Tomé and Príncipe, Somalia, South Sudan, Sudan, Timor-Leste Not WTO members or observers (9): Cook Islands, Eritrea, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Tuvalu
LDCs	Least developed countries: the world's poorest countries. The WTO uses the UN list available at: https://www.un.org/development/desa/dpad/least-developed-country-category.html Themes: General	WTO members (36): Afghanistan, Angola, Bangladesh, Benin, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Congo (Democratic Republic of), Djibouti, Gambia, Guinea, Guinea-Bissau, Haiti, Laos, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Myanmar, Nepal, Niger, Rwanda, Senegal, Sierra Leone, Solomon Islands, Tanzania, Togo, Uganda, Vanuatu, Yemen, Zambia WTO observers (8): Bhutan, Comoros, Ethiopia, São Tomé and Príncipe, Somalia, South Sudan, Sudan, Timor-Leste Not WTO members or observers (3): Eritrea, Kiribati, Tuvalu

SVEs	Small, vulnerable economies: group of developing countries seeking flexibilities and enhanced special and differential treatment for SVEs in the negotiations Themes: General	WTO members (26): Antigua and Barbuda, Barbados, Belize, Bolivia, Cuba, Dominica, Dominican Republic, El Salvador, Ecuador, Fiji, Grenada, Guatemala, Honduras, Jamaica, Mauritania, Nicaragua, Panama, Papua New Guinea, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Seychelles, Sri Lanka, Tonga, Trinidad and Tobago WTO observers (1): Bahamas
Article XII Members (RAMs)	The Group of Article XII is composed of members that joined the WTO after 1995. The group seeks to close the gap between the commitments of the original members, and the greater level of commitments undertaken by members of the group as part of their WTO accessions, thus achieving a level playing field, and a fairer multilateral trading system. Excludes least-developed countries and EU members who joined post-1995 Themes: General	WTO members (22): Albania, Armenia, Cabo Verde, China, Ecuador, Georgia, Jordan, Kazakhstan, Kyrgyz Republic, Moldova, Mongolia, North Macedonia, Oman, Panama, Russian Federation, Saudi Arabia, Seychelles, Taipei, Tajikistan, Tonga, Ukraine, Vietnam
Low-income economies in transition	Countries seeking to secure the same treatment as least-developed countries. The proposing countries agriculture draft list included also Albania and Georgia, this last formally withdrew Themes: Agriculture	WTO members (3): Armenia, Kyrgyz Republic, Moldova
Cairns group	Coalition of agricultural exporting nations lobbying for agricultural trade liberalisation Themes: Agriculture https://cairnsgroup.org	WTO members (19): Argentina, Australia, Brazil, Canada, Chile, Colombia, Costa Rica, Guatemala, Indonesia, Malaysia, New Zealand, Pakistan, Paraguay, Peru, Philippines, South Africa, Thailand, Uruguay, Vietnam
Tropical products group (TPG)	Coalition of developing countries seeking greater market access for tropical products Themes: Agriculture	WTO members (8): Bolivia, Colombia, Costa Rica, Ecuador, Guatemala, Nicaragua, Panama, Peru
G-10	Coalition of countries lobbying for agriculture to be treated as diverse and special because of non-trade concerns Themes: Agriculture	WTO members (9): Iceland, Israel, Japan, Korea (Republic of), Liechtenstein, Mauritius, Norway, Switzerland, Taipei

G-20	Coalition of developing countries pressing for ambitious reforms of agriculture in developed countries with some flexibility for developing countries Themes: Agriculture	WTO members (23): Argentina, Bolivia, Brazil, Chile, China, Cuba, Ecuador, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Peru, Philippines, South Africa, Tanzania, Thailand, Uruguay, Venezuela, Zimbabwe
G-33	Also called "Friends of Special Products" in agriculture. Coalition of developing countries pressing for flexibility for developing countries to undertake limited market opening in agriculture Themes: Agriculture	WTO members (47): Antigua and Barbuda, Barbados, Belize, Benin, Bolivia, Botswana, China, Congo, Côte d'Ivoire, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, India, Indonesia, Jamaica, Kenya, Korea (Republic of), Madagascar, Mauritius, Mongolia, Mozambique, Nicaragua, Nigeria, Pakistan, Panama, Philippines, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Sri Lanka, Suriname, Taipei, Tanzania, Trinidad and Tobago, Turkey, Uganda, Venezuela, Zambia, Zimbabwe
Cotton-4	West African coalition seeking cuts in cotton subsidies and tariffs Themes: Agriculture (cotton)	WTO members (4): Benin, Burkina Faso, Chad, Mali
NAMA 11	Coalition of developing countries seeking flexibilities to limit market opening in industrial goods trade Themes: Non-agricultural market access (NAMA)	WTO members (10): Argentina, Brazil, Egypt, India, Indonesia, Namibia, Philippines, South Africa, Tunisia, Venezuela
Paragraph 6 countries	Group of countries with less than 35 per cent of non-agricultural products covered by legally bound tariff ceilings. They have agreed to increase their binding coverage substantially, but want to exempt some products (in paragraph 6 of the first version of the NAMA text, later paragraph 8) Themes: Non-agricultural market access (NAMA)	WTO members (12): Cameroon, Congo, Côte d'Ivoire, Cuba, Ghana, Kenya, Macao, Mauritius, Nigeria, Sri Lanka, Suriname, Zimbabwe
Friends of Ambition (NAMA)	Countries seeking to maximise tariff reductions and achieve real market access in NAMA (some nuanced differences in positions) Themes: Non-agricultural market access (NAMA)	WTO members (35): Australia, Austria, Belgium, Bulgaria, Canada, Cyprus, Czechia, Denmark, Estonia, European Union, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom, United States

Friends of Anti-Dumping Negotiations (FANs)	Coalition seeking more disciplines on the use of anti-dumping measures Themes: Rules (anti-dumping)	WTO members (15): Brazil, Chile, Colombia, Costa Rica, Hong Kong, Israel, Japan, Korea (Republic of), Mexico, Norway, Singapore, Switzerland, Taipei, Thailand, Turkey
Friends of Fish (FoFs)	Informal coalition seeking to significantly reduce fisheries subsidies. From time to time other WTO members also identify themselves as "Friends of Fish" Themes: Rules (fisheries subsidies)	WTO members (11): Argentina, Australia, Chile, Colombia, Ecuador, Iceland, New Zealand, Norway, Pakistan, Peru, United States
"W52" sponsor	Sponsors of TN/C/W/52, a proposal for "modalities" in negotiations on geographical indications (the multilateral register for wines and spirits, and extending the higher level of protection beyond wines and spirits) and "disclosure" (patent applicants to disclose the origin of genetic resources and traditional knowledge used in the inventions). The list includes as groups: the EU, ACP and African Group (Dominican Rep. is in the ACP and South Africa is in the African Group, but they are sponsors of TN/IP/W/10/Rev.4 on geographical indications) Themes: Intellectual property (TRIPs)	WTO members (109): Albania, Angola, Antigua and Barbuda, Austria, Barbados, Belgium, Belize, Benin, Botswana, Brazil, Bulgaria, Burkina Faso, Burundi, Cameroon, Cabo Verde, Central African Republic, Chad, China, Colombia, Congo, Congo (Democratic Republic of), Côte d'Ivoire, Croatia, Cuba, Cyprus, Czechia, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, Estonia, European Union, Fiji, Finland, France, Gabon, Gambia, Georgia, Germany, Ghana, Greece, Grenada, Guinea, Guinea-Bissau, Guyana, Haiti, Hungary, Iceland, India, Indonesia, Ireland, Italy, Jamaica, Kenya, Kyrgyz Republic, Latvia, Lesotho, Liechtenstein, Lithuania, Luxembourg, Madagascar, Malawi, Mali, Malta, Mauritania, Mauritius, Moldova, Morocco, Mozambique, Namibia, Netherlands, Niger, Nigeria, North Macedonia, Pakistan, Papua New Guinea, Peru, Poland, Portugal, Romania, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Sierra Leone, Slovakia, Slovenia, Solomon Islands, South Africa, Spain, Sri Lanka, Suriname, Swaziland, Sweden, Switzerland, Tanzania, Thailand, Togo, Tonga, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Kingdom, Zambia, Zimbabwe
Joint proposal (in intellectual property)	Sponsors of TN/IP/W/10/Rev.4 proposing a database that is entirely voluntary Themes: TRIPs GI register	WTO members (20): Argentina, Australia, Canada, Chile, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Israel, Japan, Korea (Republic of), Mexico, New Zealand, Nicaragua, Paraguay, South Africa, Taipei, United States
Pacific Group	Developing country members of the Pacific Islands Forum (PIF) Nature: Geographical Themes: General https://www.forumsec.org	WTO members (6): Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu Not WTO members or observers (8): Cook Islands, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Tuvalu

Source: WTO website: *Groups in the negotiations*, 18 December 2017, https://www.wto.org/english/tratop_e/dda_e/negotiating_groups_e.htm.

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