



WORLD TRADE ORGANIZATION

Committee Guide

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Introduction

Welcome to the World Trade Organization! As the leading international body for the world's most pressing trade issues and disputes, the World Trade Organization (WTO) is in a uniquely powerful position. Designed to oversee and liberalize international trade, the WTO is critical in order to ensure that practical and **judicious** global trade arrangements are developed. Its main goal is to improve the lives of the people of its member nations, an objective it seeks to achieve by lowering trade barriers, enabling trade negotiations, and facilitating free trade. Comprised of 153 member nations which together represent almost 95% of global trade, the WTO has a rather comprehensive grasp of the workings of international trade.

Progress can be made at a meeting of this sort if the attending representatives understand the need to make compromises that can benefit all member nations of the World Trade Organization, even if such compromises necessitate some sacrifices for each country. While it is certainly important to always promote the priorities of the nation you represent, compromise is a central component in a committee of this sort. With these goals in mind, delegates to the WTO will present and debate resolutions on the two issues that bear priority at this year's WTO meeting: intellectual property rights and the environmental impacts of agricultural trade.

Judicious—*to be characterized by sound judgment.*

Background

The General Agreement on Trade and Tariffs (GATT)

The World Trade Organization was originally developed by the General Agreement on Trade and Tariffs (GATT), a legal document created to regulate international trade. Proposed by the United Nations in 1946, the GATT was signed into action by twenty-three countries. The purpose of this international treaty was to promote trade in the free world and to cut tariffs for the benefit of participating countries. The GATT constituted the most ambitious and far-reaching international contract of the post-World War II era. **Signatories** of the GATT met about once a year to further negotiate trade and tariffs. Like many modern-day legal agreements, the GATT was a continually changing and growing document. During the first **round** of the GATT alone, over 100 new agreements were added to the treaty. This flexible nature of

Signatory—*a signer; a government bound with other governments by a signed contract or agreement.*

Round—*in the context of the WTO, "rounds" refer to meetings of WTO member nations.*

the GATT gave it lasting power throughout the 20th century, as it was continuously changed to fit the economic and political times.

By the final round of the GATT in 1994, a total of 115 countries had chosen to ratify the agreement. Many experts believe that the reason for this extreme success was the fact that GATT member states could call for meetings of the signatories, ask the membership to **mediate** trade disputes, and call for modifications to the original GATT document. In fact, it was the original design of the GATT that when global trade eventually stabilized somewhat, the GATT would be replaced by an international trade organization. This goal **manifested** itself with the creation of the World Trade Organization in 1995. Although the WTO is a completely independent body, it still follows some of the most recent trade agreements introduced by the GATT.

Organizational Structure of the WTO

The WTO currently has over 150 members. Some members of the GATT reapplied to become members of the World Trade Organization, whereas other nations took the founding of the WTO as an opportunity to join for the first time. **Non-governmental organizations (NGOs)** have also taken a great interest in WTO policy and are allowed to attend WTO meetings. These NGOs also play a significant role in developing organizational policy, as they provide **advocacy** background on a series of trade issues.

During its early founding years, the World Trade Organization took on a new and complex structure, and it established new organizational responsibilities that are closely linked to modern trade sectors. The structure of the WTO is designed to serve as both an organizational **bulwark** for global trade and as an open forum for participating member states. The Director General oversees the entire organization and is entrusted with upholding the mission and developing the public image of the WTO. The Director General is in charge of managing the WTO and streamlining its operations, and he/she has little power over policy issues. The highest **echelon** of the organization is composed of the Ministerial Conference, which originates from within WTO membership and meets every two years. Most changes to legal WTO documents are made during the Ministerial Conferences. The General Council officially sits right below the Ministerial Conference and meets several times a year. The General Council is responsible for implementing the WTO's policies and overseeing its day-to-day management. Whereas the Ministerial Conference is usually attended by financial ministers and politicians of member states, the General Council is mostly comprised of country ambassadors to the WTO. Delegates will portray members of the General Council.

Mediate—to act as an intervening middle agency between two or more parties in a dispute or discussion.

Manifest—to make clear or certain by displaying.

Non-governmental organization (NGO)—a private organization that is not affiliated with or represented by a specific country or government.

Advocacy—the act of supporting a cause or proposal.

Bulwark—a protection against external danger; something or someone that provides support or encouragement.

Echelon—one of a series of levels or grades in an organization or field of activity.

The Doha Development Agenda

In 2001, when the WTO called for their Fourth Annual Ministerial Meeting, country representatives assembled in Doha, Qatar with high hopes of developing a comprehensive reform to address free trade, tariffs, and a variety of other issues relating to the global economy. The representatives attending the 2001 conference were especially optimistic that their negotiations would produce revolutionary trade **mandates** for the upcoming millennium. However, it quickly became apparent to the participants of the meeting that the broad changes they hoped to set forth would necessitate the establishment of an entirely new international trade regulatory system. A daunting task, the decision to reformulate global trade was in part motivated by the newly created United Nations **Millennium Development Goals** and the WTO's desire to contribute to achieving these Goals.

Therefore, the primary **impetus** for the WTO meeting in Qatar was to pursue a revolutionary and ambitious two-pronged goal: (a) the opening of completely new trade negotiations with a specific emphasis on the special needs of developing countries; and (b) the implementation of policies and decisions agreed upon during previous negotiations. In accordance with WTO **protocol**, this Fourth Ministerial Meeting was attended by financial ministers who were **de facto** representatives of all WTO member nations. The heightened interest in a completely new global trade agenda culminated in the WTO's decision to eliminate prior trade documents and begin drafting a new mandate for the 21st century called the Doha Development Agenda (DDA).

The DDA was initiated in order to redress the power imbalance between developing and developed countries. The most important aspect of WTO regulations is that its trade policies are driven by more developed countries with higher growth development potential. This imbalance within the organization has created distortions in policy formulation and, by extension, in fair trade. Despite initial strides made during the first round of negotiations on Doha in 2001, these negotiations soon reached a complete standstill, giving rise to subsequent rounds in an attempt to settle the many issues in dispute. These negotiating **impasses** have revealed some fundamental conflicts of interest that divide the developing and developed countries. Although there have been a total of eight rounds of negotiations thus far, they have all failed to conclude in a comprehensive agreement of the Doha Development Agenda.

Committee Format

Structure of the Committee

The WTO is an extremely complex international body that has many decision making mechanisms. In addition to **inherent** disagree-

Mandate—an authoritative command.

Millennium Development Goals—the eight international development goals that nearly 200 countries have agreed to achieve by the year 2015. They include reducing extreme poverty and child mortality rates.

Impetus—stimulation or encouragement that results in increased activity.

Protocol—a code prescribing strict adherence to correct etiquette and precedence.

De facto—in reality.

Impasse—a problem that presents no obvious escape; deadlock.

Inherent—involved in the constitution or essential character of something.

ments among countries regarding policy arrangements, WTO negotiations are made more difficult by the fact that all member nations are rarely in the same room during any given debate. They usually do not all convene until the final vote on the **ratification** on a resolution or treaty. Instead, countries choose to participate in subcommittees that work independently. At HMCE, about 30 members of the WTO will be present in committee, and they will be geographically representative of the membership as a whole. As such, it is important to bear in mind the priorities and needs of all member states when devising and debating resolutions. Be sure to defend your country's goals and preferences, but do keep in mind the necessity for compromise and diplomacy during your negotiations. All decisions made by the WTO are made by consensus and not by a formal vote, meaning compromise will not just be useful, but essential.

Ratification—to formally approve.

Writing Treaties and Resolutions

After thorough debate of each issue before the World Trade Organization, and after hearing from each delegation regarding its position on the matter, resolutions and/or treaties will be drafted in order to develop a proposed solution. Effective resolutions and treaties should be comprehensive yet clear, addressing the elements of the issue in a way that can feasibly be upheld. In order to be passed by the committee, the treaty or resolution requires consensus by the members of the WTO.

The nature of each type of document is different: while a resolution is a suggestion that lacks enforceability, a treaty is **binding**. This is certainly not to say that resolutions carry no weight; rather, a suggested policy from the World Trade Organization would not be ignored by the international community, for the WTO is a globally respected organization, and it does have legal power to enforce its decisions. Treaties, on the other hand, are more formal in that they are ratified by each member nation of the WTO, and signatories are thereafter obligated to follow its measures. The WTO uses a combination of these two types of documents to achieve its goals, and each is valuable in its own way.

Binding—constraining with legal authority.

Delegate Preparation

While delegates should arrive at the conference with an open mind, they should also have informed opinions about how best to tackle the issues to be debated. Delegates will need to understand their nations' stance on the two issues, and they should also consider how different solutions will affect their respective countries. Prior to the conference, delegates should thoroughly read all provided materials, but they should also conduct outside research. Each issue briefing has a "Guide to Further Research" that should prove very helpful in conducting this inde-

pendent research. Furthermore, each delegate should prepare information for his or her country's areas of specialization or priority — i.e. business, labor, the environment, human rights, etc. Bear in mind that the overall success of the committee and your enjoyment of the conference are directly related to the amount of time you spend preparing beforehand.

Conclusion

The goal of the World Trade Organization is to pass resolutions and/or treaties for each of the two focal issues: intellectual property rights and the environment's relation to agricultural trade. Developing solutions to these issues is not an easy task, as they are pressing global concerns. While the international community may **unanimously** agree that a situation is problematic, its impact upon individual nations can vary, and a solution that relieves one country's troubles may negatively affect another country. Therefore, delegates must come to the conference prepared to make their voices heard, for it is only when all member states' views are presented that an ideal solution can be created. We wish you the best of luck in your preparations and hope you enjoy reading the issue briefings! If you have any questions, please do not hesitate to contact your HMCE Chair, Alexandra Courtis (acourtis@fas.harvard.edu).

Unanimously—*having the agreement of all, without exception.*