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The World Trade Organization 20 Years on: Governance, Innovation and Prospects

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ABSTRACT

On the occasion of the WTO attaining twenty years of age as an organization, this paper is devoted to examining its governance and process of innovation, and finally its prospects. The WTO has produced significant changes in betterment of global trade to date. In the period of twenty years from (1995-2015), world trade volume has grown four times, and trade tariffs have halved to 50 %. The trade picture, however, is found to be blurred, agreements entangled, amid the rising new super trade blocs, etc. This paper discusses its progress and challenges in terms of governance, ethics and fairness.

Keywords: WTO, GATT, Global Trade, Trade Governance

INTRODUCTION

The World Trade Organization (WTO) is a world trade supervisory body, a milestone innovation in international trade, intended to make international trade run well, fairly and evenly, as international trade, by and large, is prone to gains at the cost of others and trade wars, often resulting in intense armed conflicts. The history of The East India Company in India during the 17th and 18th century bears the witness to this. Colonialism is a bygone story, but unfair trade practices persist. Hence, the need for an international supervisory trade body. What is the 'initial' experience of the world regarding the seminal WTO, expected to herald a new dawn for international trade and commerce, a new era of global trade transactions of increasing dimensions, like on and off-line trade and borderless trade? This paper is a modest attempt to address this question, especially in the light of the anticipated emergence of new mega trade blocs like the TPP-Trans-Pacific Partnership.

This paper first address the ODM - Objectives, data and methodology of the study and then proceeds to examine the nature and history or theory of international trade and then assess the 'history' and performance of The WTO and its future prospects. There are, of course, in conclusion some suggestions which follow. It is felt that The WTO needs to usher in a new era of international growth of nature friendly and sustainable, of fair and steady global trade, contributing to world prosperity. It needs to have a long-term and holistic approach to international trade and not that of international trade at any cost. It is a challenging trade agenda, easy to say, but Himalayan to accomplish. It is to be based on the principle of equality and equity, whether it is trade giants China and the USA, or the perennially trade deficit India- good at imports but bad at exports.

Meanwhile the Objectives and Methodology of the study are:

1. To view the nature of international trade and the cycle of its theory and

2. To examine the history and background of The WTO,
3. To take note of the mandate, mechanism and the dynamics of The WTO,
4. To study the performance of the World Trade Organization, and
5. To draw policy conclusions and make some meaningful suggestions.

This may seem a big study agenda; however it is intended to be only a preliminary assessment or a brief review of the first 20-years of the important world trade making body, which calls for continuous elaborate exercise of investigation and evaluation. The WTO, so to say, needs to develop further as a driving force of the world economy and trade.

The Data of the exercise pertains to the growth and trade of the world economy and the dimensions and dynamics of them, such as populations, poverty, saving, investment, GDP, per capita income, exports, imports, goods and services trade, customs rates, tariffs, etc., from different published and unpublished sources. Interestingly, as it will be seen, The WTO had its own two-decade evaluation, but it seems that self-evaluation and assessment were not taken into consideration when additional trade topics were being negotiated for the purpose of a trade agreement. But a critical body like The WTO should be eminently self-critical as well as objective in self evaluation.

The methodology or method of study and examination is made up of the statistical tools of growth rates, ratios, percentages, models, correlations, forecasting, direction and composition of trade, etc. Above all, and examination of what is the WTO trade 'model', and principles, and trade theory? Is it rational, non-discriminatory, held to the principles of free and fair trade, and against the dominance of economic and trade majors? The WTO Charter cannot give different treatment to its members, and expect that everyone should just fall in line. The WTO charter must, first meet the principles of democracy, debate, equality, justice and fair play. Accordingly, the Methodology of the study, necessarily questions the underlying principles of The WTO and its premise and functioning. For, it is needless to say, that those who sit in judgment need to be above the dynamics of that which is being judged. It seems to be due a time to take a dispassionate view of international organizations like the UNO and WTO and other bodies, charged with the heavy responsibilities of peace, development, justice, trade and others, which need to be pro-active rather than reactive, and they need to be ever vigilant and continuously monitor the provinces of their activity.

Thus, it is a part of the Methodology of the study is to take a critical look at the world trade body, rather than treating it as a body beyond reproach. In fact, it is timely that such a look and reexamination taken of the United Nations Organization (UN), International Monetary Fund (IMF), International Bank of Reconstruction and Development (IBRD-World Bank) and other world bodies which may be felt and found to be sub-optimal in their functioning, or not performing up to their tasks (Ahmed, 2016). There is nothing final about these organizations. Among other things, the financial crisis of 2008 has brought home non-laudatory working especially of the World Bank and IMF, the world economic twins, and even of the UNO. If anything, the WTO needs to be a dynamic body, acting according to the changing times and circumstances. Two-decades is almost a generation, and a time to take a critical and constructive view of the world trade body, which is the outcome of the post WW-II period, in managing a globalized economic and trade world. Since 1995, there is a further accentuation of the International Trade and Commerce revolution, with On Line (OL) trade becoming increasingly the order of the day.

Trade and Trade Theory

Foreign trade, it goes without saying is an ancient, important economic activity which is growing with time based on the 'Give' and 'Take' principle. The equation of trade is Give and Take, which can be

said to be an inviolable principle of trade and an all-time equation. Trade problems arise by and large from the violation of this seemingly fundamental theorem of foreign trade which is trade between different countries, with no particular friends or foes or favorites and non-favorites. The field of foreign trade is wide open, giving impetus to economic development, through division of labor and specialization, according to Adam Smith's first treatise on economics, economic development and trade, "*The Wealth of Nations*" (1776). According to Smith, free enterprise and free trade confer maximum benefits and accentuation of National Wealth made up of goods of consumption and production, or consumer and capital goods. The credit for taking foreign trade from the narrow confines of nationalism to the international arena accrues to Smith, who was not only the founder of economics. He was also a philosopher who was interested in human welfare, through the production of material needs of life – but also assessed the economic and trade situation, was concerned about the negatives, and note negative signals and concentrated on the ways and means of rectifying inequities. Above, in these times when leadership it critically, WTO leadership needs to be pre-eminent and concerned with striking a note of harmony and goodwill to evoke universal adulation. It's an age of leadership, deciding fortunes of companies, organizations and countries, leadership being considered as the most important factor of Management by management Savants like the late Stephen Covey (Ahmed, 2015).

The WTO in the 21st century is a body which should reach out to all its members equally and iron out their trade problems and differences as a friend, philosopher and guide, and as a friend in need, all of which may sound too idealistic and impractical. This is the demand of globalized time and trade, with trade run on the well-known principles of comparative cost/advantage, of exporting goods of which one has comparative advantage and importing goods with comparative cost advantage. Foreign trade is to be a win-win situation for all participating parties. This is the wisdom of foreign trade enunciated long back by David Ricardo, one of the classical economists, in his economics and trade classic. "*The Principles of Political Economy and Taxation*" (1820). Quite imaginatively, the theory of comparative costs or advantage is a dynamic one, with countries gaining or losing their comparative advantage in respect of different goods with the passage of time and developments in science and technology, human resources, innovations, and entrepreneurship (Penguin, 1983).

The dynamic principle of Comparative Costs and Advantage – CCA – calls for dynamic, competitive, innovative. Research and Development, Human Resources Development, and innovative and entrepreneurship, cost saving, consumption and savings-investment balancing least cost economies. In many instances, nations have to blame themselves for their economic and trade woes, and there is no need for them to 'cry wolf' or the world being unjust to them. Even the United States of America cannot escape from this tendency of crying wolf and not being given a fair chance and share for their exports. For example, the US cannot except itself as being responsible for the thumping fall of its iconic Lehman Bros of the mid-19th century origin on 15th Sept 2008 setting off the grave financial crisis of 2008, which the US still trying to ward off. (Oncu, 2016; Ahmed, 2013c).

To take another American case, of America, banks, any type of banks, are a by-word for public trust and confidence, and safety, security, good management, good returns on saving and prudential investment without any iota of doubt. As against this, the giant US banks had, it is well known, every sort of banking innovation leading to misadventures and the giant financial crisis in 2008 in spite of the World Bank and the IMF headquartered in the United States and the 95 year veteran Fed. Strangely, the way of its 'trade crisis' the US appears to think, is in building new trade bloc like the TPP with 'higher' trade standards, which in fact appears to be a move which would have the effect to weaken The WTO by building an over whelming trade bloc, in the making a long time shrouded in secrecy. It seems a more

appropriate response is proper housekeeping and putting its still No.1 in the world economy house in order in a transparent, democratic and dynamic mode. It needs to take care of the proverbial 4-Ps price, product promotion and place of marketing (Kotler & Keller, 2015) and not waste its yet superb talents in architecting seemingly exclusive trade blocs which are quite discomfoting to others. Meanwhile what is the record of WTO?

The WTO

The importance of foreign trade in the economies and economic development of the nations of the world calls for elaboration, as it is a too well known fact that exports and imports are an essential part of a nation's economic life and national economies. No nation, big or small, can be an island of self-sufficiency amidst, the sea of nations. There are, of course, bound to be trade differences, and even trade wars and trade groupings. How far these are advisable and welcome is a different matter. Well, imaginably, there are different schools of trade, Mercantilists, Nationalist, liberalist, etc. For instance, the mercantilist school of trade of the Middle Ages advocated maximizing exports and minimizing imports, the difference between the two bringing in gold, the stock of which was considered to be true measure of national wealth. The fallacies of Mercantilism were brought home by Adam Smith, giving a right perspective to foreign trade. Smith appears to reinforce the dictum that good economists make good economic theories, of which trade theories are part.

Yet, the journey to free trade and The WTO was long. There was is a long run of colonialism from the 18th century till World war II (1939-45) and even beyond, with England and India standing as the great symbols of Empire and Colony, respectively (Knowles, 1928). The British rule in India (1757-1947) is known to have pushed India from a preeminent exporting nation into colonial market. Even the WTO is split into the two groups of developed and developing nations that does not agree well for world. Generally, it is a war of words and deeds between these two camps. Without much ado it can be said that the two camps need to give up their self-assumed identities and ardently work for the common good and welfare, and the efforts of WTO are held to be great ray of hope for global trade. In fact, foreign trade must be self-regulatory, drawing up one's export and import items and working out a trade balance. As far as possible, member states must adhere to fair trade practices and exert to build dynamic economic and trade sectors. Each must also make known its goods and services in the global market, and also its import demands. All this sounds to be a too idealistic agenda. Hence the need for an international trade promoting mechanism for the benefit of all. The purpose of foreign trade is consumer welfare in all trading nations. The nation needs to be economically well disciplined and productive. It is this culture of economic development and trade that needs to well propagated and inculcated in all trading partners through The WTO.

The Forerunner GATT

The post –WWII had opened a new era in world peace and economic cooperation, development and trade through the UNO, World Bank, IMF and The GATT (General Agreement on Tariffs and Trade), among other institutions. It is to take care of international trade which is an important international economic activity. The Agreement's creed (1947) is fair trade through the elimination of tariff and non-tariff 'barriers' to trade.

“The fundamental principles of such an Agreement are (1) Most Favored Nation (MFN) – every signatory will extend to every other signatory member, the same and equal treatment in a non-discriminatory manner. This is of great benefit, as all members whether rich or poor, strong or weak,

would be given same treatment by all signatory members and (ii) The second principle is National Treatment which means that imported goods and domestically produced goods will be treated alike, except for the payment of customs duty at the time of import” (Paul 2008, p. 284). These quite eminent principles of natural and economic justice, attempted to be met via periodic GATT Rounds with increasing numbers of countries joining as GATT members 23 in 1947 to 123 in 1994.

The path to The WTO had advanced through a series of GATT ‘Rounds’ of negotiations, numbering 8 from Round 1 at Geneva to Round -8 (Uruguay Round) spanning from 1986-94 - the longest, giving birth to The WTO in the year 1995, as an eventful development in the long and eventful and stormy history of global trade. The WTO is intended to be like a guardian angel of international trade of growing importance in the globalized world of the 21st century; it is likely to pick-up momentum and grow in volume and value with the addition of services, Information Technology (IT), banking, etc. (Oza, 1995; Ahmed, 2012a,b).

The WTO is the result of eight years (1986-94) of the Uruguay Round, perhaps the longest negotiated and architected and elaborated world body, which is beyond the ken of understanding of the common man for whose benefit any national or international organization is intended. The WTO seems to be a high powered international trade body that takes care of every aspect of international trade, to put it on a fast and orderly stable path. It seems to be for only high trade experts to understand and operate it. No doubt, considering the importance of trade, the existence of a world body to monitor and supervise and keep track of it cannot be denied, but it must be guided by simple operative principles of ‘justice’ and fair play. Compared to this image, The WTO appears to be cumbersome body.

WTO and its Functions

The World Trade Organization deals with the global rules of trade between nations. Its main function is to ensure that trade flows as smoothly, predictably and freely as possible. “The WTO provides a rule-based, transparent and predictable multilateral trading system which protects the member countries from the pressures of stronger trading partners. WTO rules envisage non-discrimination in the form of National Treatment and Most Favored Nation treatment to our exports in the markets of other WTO members. National treatment ensures that products once imported into the territory of other WTO members would not be discriminated vis-à-vis the domestic products in those countries. The MFN treatment principle ensures that members do not discriminate among various WTO members, not only in their tariff regimes, but also in respect of various other rules, regulations, incentives, etc. If a member country feels that due benefits to it are not accruing because of trade policies practiced by another trading partner, it may file a dispute under the Dispute Settlement Mechanism (DSM) of the WTO” (Government of India, 2003).

This is a laudatory reference by India, one of the founder members of The WTO, which goes a long way in establishing the credibility of The WTO. India is a demographic, economic and trade major with a number of trade problems, which are perennial (M-X), as a developing economy. Disputes take their own time to settle and in the meantime the complaining nation may continue to suffer. Therefore, there appears a need for The WTO to identify unfair trade practices and initiate action on its own without ‘fear or favor’ - that would meet the ends of justice. It is, however, doubtful The WTO is ready to undertake such heavy responsibility.

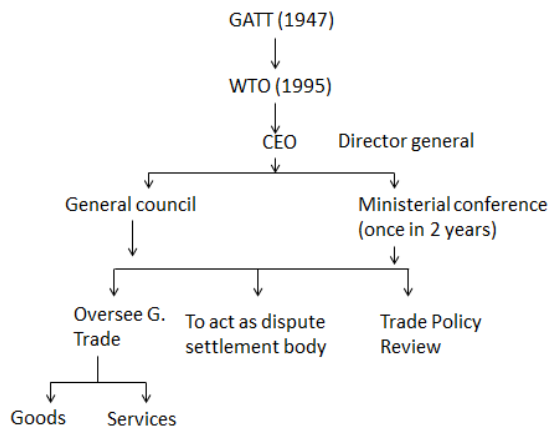


Figure 1: WTO & its Functions

Source: WTO

The WTO is bound by a number of Agreements, from Agriculture to Industrial Property Rights (IPR). There are also provisions regarding trade blocs. They are to be non-discriminatory. These blocs, however, are on the rise. There seems a tendency for birds of the same feather to flock together. Is this in tune with the principle of multilateralism forming the bedrock of The WTO? Whatever it may be, the WTO trade scene appears to be characterized by much complicatedness; there appears to be a movement toward stocktaking of The WTO in the long run.

Innovation, Progress and Performance

The importance of The WTO which evolved after prolonged deliberations, an elaborate organization, continuous ministerial dialogues, a dispute settlement mechanism and so many agreements to address different aspects of international trade; this cannot be disputed in this age of globalization and expanding trade horizons. First, it is to the credit of The WTO that it keeps update trade data of its members which in itself is a matter of great national and international advantage through its Trade Profiles (Annual), which are is a mine of comparable information of Foreign trade (WTO, 2013). It is significant that there is a body keeping an eagle's eye watch on the expanding domain of foreign trade; with so many in the race of foreign trade, it is a dire necessity. But, the trade body seems a passive spectator of the world trade scene. There is no holistic approach to trade.

For example, India had never a respite from the upset sector of foreign trade ($M-X=BT$). There is, however, no solution for this dire Indian problem from The WTO (Ahmed, 2013a,b). Accession of China to the WTO boosts China's exports with steady access to world markets, without dependence on yearly renewals of the most favored nation treatment by USA and other major trading partners and provide greater stability to China's economy in general and exports in particular (Vadra, 2010), (Kim, Han & Stumph, 2016). Exports as the engine of growth (Naghshpour, 2012). Thus, the trade body seems a passive spectator of the world trade scene. For instance, for India, trade with China seems an accumulating misery. The US-China trade war is too well known. There is no holistic approach to trade.

There are further questions regarding the functioning of WTO. They are valid in respect to any world organization, including the UNO and the World Bank & IMF twins. In a way, the trade body may have yet to get its moorings. One thing, the organization has simple membership, (161) as of August 2015, and the body in its review of 20-year functioning notes the prospects of further growth of membership.

China became the 143rd member and Russia joining the body is a big hit, the former being the No.1 trading nation, upsetting the old and traditional business equations. The origin and birth of the body are considered to be historic.

The World Trade Organization members' participation in under the sanitary and phytosanitary agreement showed that with particular exceptions, high income countries have been much more active than developing and least developed countries (Boza & Fernandez, 2016).

“Rarely has the birth of an international institution been preceded by expectations” (WTO: 2015, p.10). What are the expectations?*accelerating the liberalization of economies“Coordination between them”*. The report card records a growing membership 33, economies between 1995 & 2015, big and small, including China (2001) and Russia and smaller Nepal (2004). The initial membership itself was an impressive 128.

Table 1: Expansion of WTO Membership

Year	Developing Economies	Developed Economies	Countries in Transition
1995	79	33	0
2000	101	37	2
2005	107	38	4
2010	110	38	5
2015	116	38	7

Source: Authors compiled from WTO, International Trade Statistics, 2015, p.34.

From the Table (1) it can be seen that 79 developing countries and 33 developed countries joined WTO in 1995, and the membership had increased in 2015 to 116 & 38. The newest members are Yemen (June 2014) and Seychelles (April 2015). From 1995 to 2014, WTO members' share of merchandise exports rose from 89 per cent of total world exports in 1995, to 94 per cent in 2005, and to 97 per cent in 2014. In 2016 The WTO covers 98 % of global trade; thus, constituting nearly a universal trade body. It is a democratic decision making body following the consensus principle. Ministerial Conferences, so far 10, held every 2-years are the top level decision making body of The WTO. In Trade Negotiations: “The Doha Round”, the new millennium eve (2001) Ministerial Conference at Doha, Qatar, is noted to have set agenda for reforms in 20 areas of trade. There are reported to be endless meetings of Council and committees for the implementation of the numerous Agreements (14), making the working of The WTO highly technical and time consuming and foreign trade a high science. Vide the Chapter, Forging New Agreements (6), The WTO appears to spare no efforts at entering into new agreements, so nothing concerning trade appears to be left but bounded by agreements. It would, it seems, be an interesting exercise to study the outcome of these many original and new agreements.

Interesting and rewarding areas of the work are known to be dispute settlement, monitoring world trade, helping developing countries trade, and fostering dialogues, from which The WTO appears to be the most active of the global organizations, including the apex UNO. Needless to say, The WTO looks forward to more rewarding role in the long run in the service of Foreign Trade. There appears to be a need for ample studies on WTO working; money spent on The WTO, though not much, appears to be well spent. The WTO Director General Roberto Azevedo reports of his organizations, among other things, in the following terms (Azevedo, 2015).

It is The WTO doing its best possible with limited resources. *“There is no doubt that The WTO has achieved a great deal during its short history. It has grown and adapted as an organization and it has become a central pillar of the global economics architecture. But of course there is much more to do. We*

need to go further in leveraging trade's potential as a force for growth and development and we must deliver further negotiated outcomes starting at our 10th Ministerial Conference in Nairobi in December 2015" (Roberto Azevedo, Director General, WTO).

Table 2: Progress and Performance of WTO (1995-2015)

Items	1995	2015
Members	128	161
Internet	0.8 (%)	44.0 (%)
Trade	X	4- times (4X)
Tariff Free Trade	-	50 (%)
Tariff falls	1.5 (%)	15 (%)
Dispute Settled	-	500
New Trade (IT)	X	3 times X = \$1.3 Trillion
Ratio of trade to GDP	20 (%)	30 (%)

Source: Compiled from WTO, *20 Years of WTO-A Retrospective, 2015*, pp. 4-5; WTO, *International Trade Statistics, World Trade and The WTO (1995-2014)*, 2015, p.17.

Since mid-1980s, globalization has been increasingly the center of discussion. Especially, trade globalization has taken the center stage (Naghshpour & Sergi, 2009). As can be seen from Table (2), trade has increased to 4 times, New trade IT has increased to 3 times, tariff free trade has fallen to 50 per cent, 500 disputes settled, and the ratio of trade to GDP has increased from 20 per cent to 30 per cent in the two decades of The WTO as an organization.

The table (3), shows that the last 20 years have confirmed world gross domestic product (GDP) and world merchandise exports move in tandem, but export growth is much more volatile than GDP growth. The sluggish post-2008 crisis economic expansion (2.5 per cent rise in GDP per year on average from 2010 to 2014) was accompanied by mediocre trade developments, as exports increased by only 3 per cent on average per year. The economic crisis had seriously affected the exports and imports in year 2009. The share of trade in GDP fell 5 percentage points to 26 per cent in 2009 from 31 per cent in 2008. Much of this decline was attributed to a drop in the price of commodities. Despite a robust recovery in 2010-11, the ratio of trade to GDP in value terms remains below its 2008 peak (WTO, 2015, p.17).

Among other things, The WTO 20 years assessment study does not speak of the Financial Crisis disrupting and distorting trade flows, as the financial crisis cannot be considered any insignificant episode. Apart from this, it is also well known how the Multi-National Corporations (MNC) often evoke popular protests and ire as the members are sharply divided into the into the conflicting camps of developed and developing countries, with endless debates on the Doha Agenda. It is unfortunate that, by and large, in the large public image the world trade body stands for globalization and fully throwing open one's market to foreign goods and services and the inhibition of goods from the weaker economies on one or the other pretext. There is a strong anti-WTO school. Notwithstanding all of this, The WTO keeps annually surveying the world economy and trade, which following the 2008 Financial crisis are reported to be operating sub-optimal, some less than 3 % for both (WTO, 2015). There is a continuous flow of research papers from The WTO, which are of high subject and policy value, as, for example, regarding FDI and export promotion (Gnangnon & Roberts, 2014).

Table 3: Volume of World Merchandise Exports and GDP (1995-2014)

Year	World Merchandise Exports (%)	GDP (%)	Year	World Merchandise Exports (%)	GDP (%)	Year	World Merchandise Exports (%)	GDP (%)
1995	7.5	2.9	2003	5.5	2.8	2011	5.5	2.8
1996	5.0	3.3	2004	10	4.1	2012	2.5	2.2
1997	10.0	3.7	2005	6.5	3.6	2013	3.0	2.4
1998	4.5	2.6	2006	8.5	3.1	2014	2.5	2.5
1999	4.5	3.4	2007	6.5	3.9	2010-14	3.5	2.5
2000	11.0	4.3	2008	2.0	1.5	2005-10	3.6	2.3
2001	-0.5	1.8	2009	-12	-2.1	2000-05	5.0	2.9
2002	3.5	2.1	2010	14	4.1	1995-00	7.0	3.4

Source: Authors compiled from WTO, *International Trade Statistics, 2015, World Trade and The WTO (1995-2014)*, *World Trade and The WTO (1995-2014)*, 2015, p.16.

Major Challenges and some mixed blessing in disguise

First major challenge and mixed blessing for The WTO's goals have been largely achieved since its evolution from GATT in 1993. However, The WTO has been suffering from challenges and difficulties due to Doha Round and its ongoing logjams. Despite its challenges, some positive outcome has been achieved in terms of substantially lowered barriers to trade, investment, and services bilaterally, regionally, and even unilaterally except through The WTO. In spite of limitations within WTO governance system and its reach into practical branches of services, it still presides over a rule-based trading system universally accepted and respected by its 163 members. (Baldwin, 2016).

The second major challenge for The WTO came from shifting landscape in trading patterns. Trading patterns have shifted in the political economy momentum of The WTO. At its origin, the rules and procedures of The WTO were designed for a global economy in which goods are made here and sold somewhere else across national borders. The rapid rising of offshoring from high-technology nations to low-wage nations has created major shift in goods, services, investment, training, and know-how. Offshoring of international commerce changed the trade rules that matter less about tariffs and more about protection of investments and intellectual property, with new emphases on legal and regulatory steps.

No international organization can be an all-success story. The WTO, above all, appears to be a too complicated affair, bound by an elaborate organization, so many Agreements and forging of new agreements and consensus eluding Ministerial Conferences, the outcome of which does not appear to be too difficult to work out to the advantage of the general public. The organization is entangled in too many agreements that appear to be too difficult to work out to the advantage of general public. According to The WTO itself, global trade has been stunted very much by the financial crisis- 2008 to a small percentage pace, and The WTO has no way out of the problem. The WTO has not kept pace (Baldwin, 2014). There is no doubt about The WTO mechanism being too cumbersome and complicated. The rules of foreign trade are in need of being reduced to be simple and workable level that are convincing to the common observer. Instead, The WTO mechanism appears to have grown into a high science. The WTO does not seem to think of nature –friendly or green-and-clean foreign trade. The WTO, simplistically, appears to think of a nation's trade performance, especially of developing country, in terms of Foreign Direct Investment flows. Above all, The WTO seems highly MNC friendly (Vijaychandran, 2015). According to Prusa, there is a frustration with the Appellate Body, namely, the reluctance of the Appellate Body to embrace economics in its decision-making; he argues that incorporating econometric methods

would produce superior determinations (Prusa, 2015). The Panel's and Appellate Body long and tortured history with zeroing is at least partly due to poorly constructed reasoning in early cases – logic that would have been more clear with a deeper user of economic analysis (Prusa & Vermulst, 2009).

The WTO agreements are frequently not clear on where or how the balance between sovereign/domestic concerns and trade concerns is to be determined (Meagher, 2015). On the whole, the simplicity of trade appears to be lost under The WTO regime. There is a proliferation of Foreign Trade Agreements (FTA), above 400 by 2015, and Bilateral Trade Treaties (BIT) -Bilateral regime. There is proliferation of FTAs, above by 2015, and BITs- numbering more than 2000, which appears to run counter to the spirit of The WTO- of multilateralism, of all countries being the favorites of one another (Vijaychandran, 2015). Not to say of the mega trade blocs like the TPP, very much intended by the USA (US Trade Representative, 2015) aiming at very high trade standards (EPW, 2015). It is suggested that The WTO needs to promote a trade culture of ethics, a code of conduct, productivity etc.

CONCLUSION

Trade provides a solid platform on which countries can lay a firm foundation for employment and wealth creation, improve food security, livelihoods and substantially reduce poverty. The WTO is found to be a largely helpless spectator of the international trade scene regarding that it cannot do much. It has yet to become a help-mate of international trade, nation-wise. It is suggested that it should come out from the image of being a rich nations' trade club and reach out to the common people of the world through a nature and people friendly new image and makeover.

In sum, it seems that The WTO ought to remake itself for international trade and the common public good.

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