Will change of guard at WTO save it?

ZAIDI SATTAR

THE global trade order was unquestionably under strain well before the Covid-19 crisis struck the world economy. But global trade has become the biggest casualty of the pandemic, far more than global output. No doubt recovery of trade will be the key driver of post-pandemic global economic recovery efforts. In the middle of all this is the fate of the World Trade Organization (WTO), which would have to play a catalytic role in rejuvenating the global economy via expansion of trade flows.

In May 2020, Roberto Azevedo, the flamboyant Brazilian director general of WTO, abruptly resigned, a year ahead of the expiry of his eight-year tenure. Clearly, the US refusal to appoint judges to replace retiring judges of the Appellate Body undermined the multilateral trade institution by literally eviscerating the apex chamber of WTO's dispute settlement body (DSB), regarded as the crown jewel of the institution. Presumably, that was too much for him to bear. As we know, two of the last three remaining judges of the AB, which requires at least three judges for quorum, retired last December resulting in the complete collapse of the DSB. But the institution must move on, until its demise (if at all) is voted by consensus. In the meantime, WTO has launched the process of finding its new leader to replace Mr Azevedo whose term expired in August.

As is the custom, various countries put forward their candidates for the top job at WTO. The candidates were: (i) Dr Jesús Seade Kuri, from Mexico; (ii) Dr Ngozi Okonjo-Iweala, from Nigeria; (iii) Abdel-Hamid Mamdouh, from Egypt; (iv) Tudor Ulianovschi, from Moldova; (v) Yoo Myung-hee, from South Korea; (vi) Amina C. Mohamed, from Kenya; (vii) Mohammad Maziad Al-Tuwaijri, from Saudi Arabia; and (viii) Liam Fox, from the UK. The interview process began on September 8, and on September 18, the General Council Chair, Ambassador David Walker of New Zealand, announced that nominees from five countries—Nigeria, South Korea, Kenya, Saudi Arabia and the UK—have been selected to move to the next stage, having secured the broadest and deepest support from the WTO membership. If everything goes smoothly, there will be a change of guard in WTO by October 1.

In these troubled times, who would want to be director general of perhaps the most controversial multilateral institution, a job that Stuart Harbinson of the European Centre for International Political Economy calls a "poisoned chalice"? By all indications, the WTO is in turmoil, to put it mildly, and the job of DG WTO is no cake walk. The new DG has his/her task cut out already: saving the WTO and making it relevant in the complex geopolitical and digital world of today and in the future. It is not a job for the faint-hearted.

Over the past few years, there were notable and sinister machinations coming from some developed country members—those who had actually taken the lead in creating the rules-based global trading system in the first place. Imagine what the world would look like in the post-war period if there were no rules governing international trade. The income growth we have seen across the globe as a result of trade expansion turned so many poor and developing economies into middle-income and developed economies. That was exactly the goal of the global trade regime crafted after WWII by leaders of the free world, guided by the world's leading economists at the time. And it worked, in large measure. Today, two-thirds of the 164 member-states of WTO belong to the category of developing economies, but their share has grown to roughly 50 percent of the USD 80 trillion world economy. Since the founding of the WTO (replacing its predecessor, GATT) in 1995, they have become very proactive and vocal in the consensus-based multilateral organisation. With the shifting balance of economic, as well as bargaining, power between developed and developing economies, the decision-making process at the WTO was also revealing that shift. Tensions and incompatibilities between power groups in the WTO mounted, coming to a head in 2016 with the new leadership in the USA.

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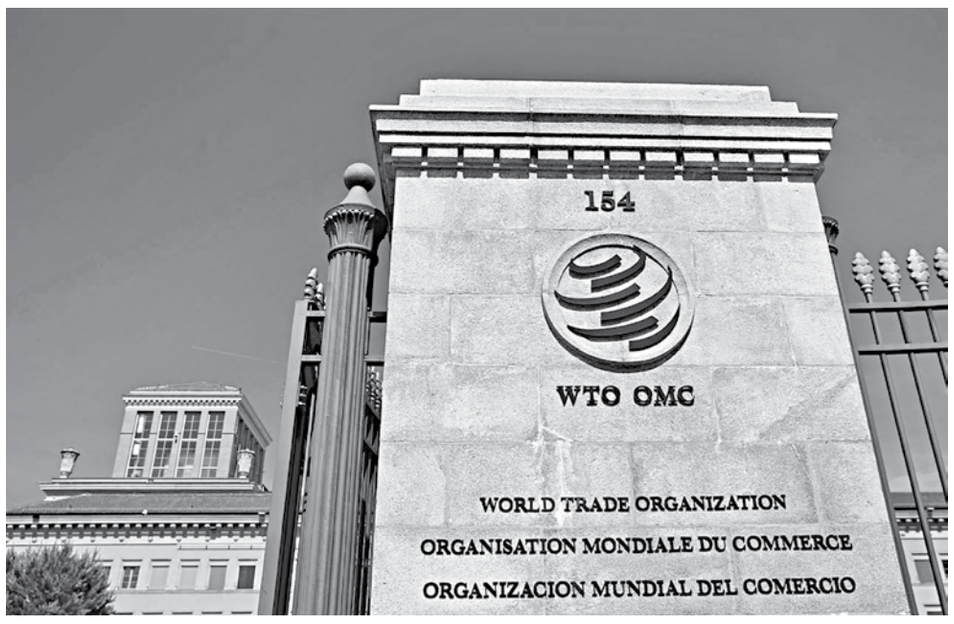

The new DG of WTO has his/her task cut out already: saving the WTO and making it relevant in the complex geopolitical and digital world of today. PHOTO: REUTERS/DENIS BALIBOUSE

The WTO's Doha Development Agenda (DDA), aka the Doha Round, is all but dead. DDA has nevertheless produced some modest achievements recently, as members (a) ratified the Trade Facilitation Agreement (TFA) which streamlines border procedures to augment trade by USD 1 trillion a year, (b) liberalised trade in information technology products through a plurilateral agreement (Information Technology Agreement) among 50 members, and (c) abolished harmful farm export subsidies. But serious and even existential challenges remain that caused businesses to postpone investment, stunting global growth and the future potential of the world economy. This was true even before the Covid-19 pandemic hit, reducing the volume of world trade drastically and disrupting supply chains around the world. In knee-jerk reactions to the pandemic, the WTO recorded some 222 protectionist (trade-restrictive) measures adopted by member states, adding to the trade restrictions launched in the past two years covering some USD 745 billion of international trade. The immediate task for the new WTO leadership would be to move past the pandemic and revive the global economy while crafting a new design for a multilateral institution of the future.

That is easier said than done. The post-pandemic challenge for the WTO and its new leadership can be visualised in two phases. Given that reviving trade will be an essential catalyst for economic recovery worldwide, the first order of business will be to move fast and convince members to remove ad hoc trade restrictions that have cropped up recently. A more open system of international trade will be the more effective solution for a rapid post-pandemic recovery out of the Covid-19-induced trade shocks. Next, there will have to be renewed efforts to mobilise members to breathe new life into the WTO. There is near consensus that the trading system needs to be updated to respond appropriately to evolving global challenges covering wider aspects of cross-border economic activity of the modern world.

The G20 has endorsed the WTO reform. That should carry a lot of weight towards WTO's sustainability. There is also broad agreement among the 164 members that the WTO must adapt and change with the times to become a relevant multilateral institution of the 21st century. Evolution and reinvention have been part of the multilateral trading system since its creation in the 1940s. To deliver more and deliver quicker in the fast moving world of trade in goods and services, it will have to be more innovative and globally inclusive to survive and thrive. The WTO should continue to be where governments come together to forge trade responses based on consultation and cooperation, sharing of best practices, and reaffirmation of key principles. That is a sliver of the menu of challenges to be confronted by the new WTO leadership. From the latest news emerging from the General Council, the odds are strongly in favour of the next WTO leadership coming from a developing country in Africa. But support will need to be mobilised from all 164 member states to ensure the success of the new leadership.

Let's face it. Global problems call for global solutions. Bilateral and regional arrangements (e.g. FTA, PTA, RTA) are by nature not inclusive enough. The vast majority of WTO members are ready for change. They want to improve the system rather than throw the baby out with the bathwater. Historical records are convincingly on the side of rules-based international trade, one that has fostered widespread income growth, development, job creation and poverty reduction for decades. But this time, cosmetic changes will not do. Structural, even fundamental, changes are called for if this multilateral institution is to survive for the betterment of humanity.

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PROJECT SYNDICATE

The New History Wars

JEREMY ADELMAN *and* ANDREW THOMPSON

THE contest over national symbols and stories is shifting into higher gear as the drive to topple statuary and rename institutions moves past the usual suspects of Cecil Rhodes, Woodrow Wilson, Confederate generals, and Belgium's King Leopold II.

The British Museum, for example, has removed from prominent display a bust of its slave-owning founder, Sir Hans Sloane. "We have pushed him off the pedestal," observes the museum's director, Hartwig Fischer. Similarly, just a week earlier, a desecrated statue of Voltaire in Paris's tony 6th arrondissement was whisked away for its own protection.

Everywhere, it seems, cultural artefacts that once hid in plain sight are being scrutinised for their connections to empire or slavery. But even when those deemed worthy of removal are gone, the Great Reckoning will not be over.

In fact, the current trend seems to be moving us even further away from a genuine reconciliation with the past. Instead of producing new, inclusive stories of peoplehood, we are witnessing a violent clash of public narratives and a backlash against what some see as decolonisation run amok. This contest is on full display ahead of the US elections this November. "Sorry liberals!" one pro-Trump group recently tweeted, "How to be Anti-White 101 is permanently cancelled!"

In any case, those who would seek a new consensus after the statues have already come down tend to miss a basic point in the debate over national history. Reckoning with the past is not a discrete event, but rather an ongoing process, especially when it comes to dealing with deep, systemic injuries. Throwing statues into harbours might play well in the media, but rarely do such acts resolve the underlying issues.

An image of late Rep. John Lewis, a pioneer of the civil rights movement in the USA, is projected on the statue of Confederate General Robert E. Lee in Richmond, Virginia, on July 19. PHOTO: REUTERS/JAY PAUL

Moreover, there is a deeper history to the current cultural impasse, and it shows that quick fixes will not come easily. Many of the statues that have been called into question were installed at a time when Western countries defined themselves largely through territorial ambition. In that sense, the white imperialists who dominate our public squares have always been beacons of a highly selective gaze. Their presence tells us more about the people who erected them than about the subjects themselves.

We are now caught between an outdated style of patriotism and a fatigued pluralist alternative. The old national narrative that drove the boom in monuments was born in the heyday of empire and burnished in the twentieth century's world wars, when founding heroes and myths served as a unifying force. But starting in the 1960s, civil rights movements, feminism, and an influx of immigrants pushed Western societies to become more inclusive, and the old emblems of patriotism looked increasingly *outré*.

The idea underpinning the pluralist alternative that supplanted the old patriotic narrative was to let many stories bloom, to bring new voices to the fore, and to embrace diversity as the path to coexistence. But pluralism never commanded the same power as the old narrative had. Tolerance seldom led to recognition—to seeing the world through others' eyes—and, as long as the emblems of the old order stood on their pedestals, marginalised groups' objections were bound to intensify. When the weak consensus around globalisation broke down following the 2008 financial crisis, so, too, did the fragile pluralist framework.

Now, we face an impasse. Entrenched defenders of the old patriotic story feel their world slipping away, while advocates of a new pantheon view the previous one as a source of arbitrary hierarchy rather than unity. Feeling bruised and victimised, each side has weaponised history, creating a my-story-versus-your-story, winner-takes-all standoff.

The Great Statue Reckoning has served as a lightning rod for wider societal frustrations. Even without the Covid-19 pandemic, the last decade had snuffed out any sense of progress toward a new, brighter future as political, generational, and geographic polarisation deepened.

How can we break the impasse? The purpose of museums, like universities, should be to promote an open and inclusive yet critical dialogue about the past. Because this requires the exchange of competing narratives, it is not a "safe space." But nor can such an exchange occur without a mutual recognition of others' grievances and losses.

If we are to avoid becoming prisoners of the past, we must acknowledge that what some see as a tale of conquest and discovery, others see as a story of domination and exploitation. It is no coincidence that the contested statues are overwhelmingly white and male. For black people, indigenous peoples, and other marginalised groups, living under the stony gaze of asserted superiority is now simply intolerable.

As long as the old patriot narrative endures, critics and challengers will forever have to ask to be admitted and tolerated, and to request monuments of their own, provided there is space for them. Far from representing recognition, such accommodation serves as a cunning way to leave the symbolic hierarchy intact.

But recognition is a two-way street. While traditional patriotic champions must confront how their myths deny others, their critics need to acknowledge the difficulty the fallen now face: seeing one's own narrative being toppled. It is not easy to accept that a longstanding source of pride should suddenly become an object of shame. It is understandable that advocates of the old narrative would resist this change. Letting the old symbols go is a sacrifice worthy of acknowledgment.

Of course, there will be arguments over whose act of recognition shows the biggest heart. Is it the old patriot, asked to view a heroic general as someone else's oppressor? Or is it the oppressed, asked to see that they are not the only ones paying a price for overcoming the cultural impasse? We can argue about that. But this type of disagreement would be much better than the current displays of intolerance that are now dominating the public square.

Jeremy Adelman is Director of the Global History Lab at Princeton University. Andrew Thompson is Co-Director of the Global History Centre at the University of Oxford.

QUOTABLE *Quote*

WILLIAM FAULKNER
(1897-1962)
American author who was awarded the 1949 Nobel Prize for Literature.

You cannot swim for new horizons until you have courage to lose sight of the shore.

CROSSWORD BY THOMAS JOSEPH

ACROSS
1 Sports figure
5 Library stamp
10 Heap
11 Martini garnishes
13 Prayer finish
14 Give to charity
15 Prom date's gift
17 Immoral act
18 Tempts
19 Lyricist Gershwin
20 Hockey great Bobby
21 Verse writer
22 Crumpet's cousin
25 Good judgement
26 Greek letters
27 Mafia leader
28 Gallery fill
29 Keep at it
33 Young fellow
34 Eroded
35 Change over time
37 Smell
38 Refuses
39 Spanish boy
40 Minimal amount
41 Declares

DOWN
1 Word separator
2 Shakespeare's Athenian
3 Vigilant
4 Causes of stress
5 Los Angeles player
6 African lilies
7 Light metal
8 Vague answer
9 Stops working
12 Capitol group
16 Plot unit
21 Funds for retirees
22 Grew old
23 Fast sailing ship
24 Surpassed
25 Aching
27 Hate
29 Makes roads
30 Delhi's land
31 Unemotional
32 Bullfight bulls
36 – Fail (Irish coronation stone)

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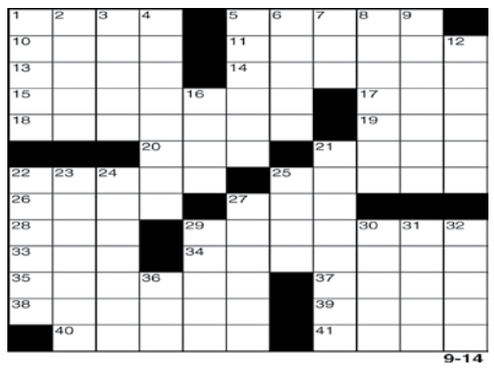

9-14

YESTERDAY'S **ANSWERS**

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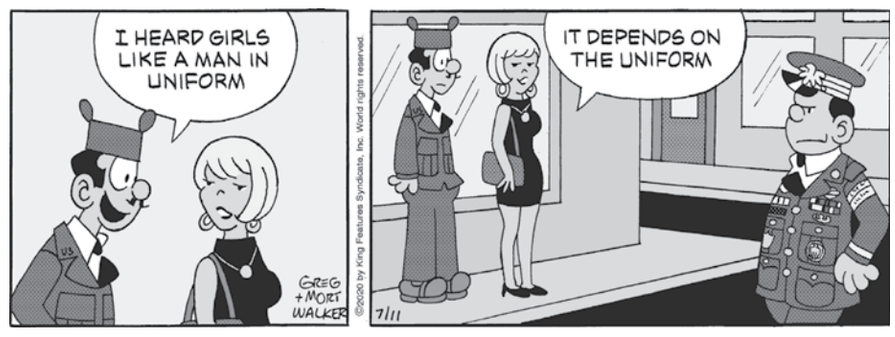
BEETLE BAILEY BY MORT WALKER



BABY BLUES BY KIRKMAN & SCOTT