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The Doha round finally dies a merciful death

Governments must now pursue trade multilateralism piece by piece



The WTO launched the Doha round in 2001

After a death scene so drawn-out it would have done credit to a Victorian melodrama, the curtain has finally come down on one of the longest-running farces in global policymaking. The so-called Doha round, the programme of multilateral trade talks that started in 2001, was last week declared dead by World Trade Organisation members after nearly a decade spent comatose.

The admission that Doha is no more is welcome: the talks were wasting a lot of breath, time, energy and air miles. But **to preserve the negotiating function of the WTO, member governments need to pursue other ways of doing business** that preserve the multilateral approach as far as possible while having a fighting chance of actually producing a deal.

Doha was launched in 2001, two months after the September 11 attacks, with much rhetoric about gestures of global unity but too little support from businesses to keep it going. It was also oversold as a “development round”, with the aim of helping poorer countries trade their way out of poverty, with a particular focus on agriculture.

Three problems rapidly became evident. One, behind the mask of solidarity between developing countries lay deep divisions, for example between agricultural net importers and exporters, preventing constructive proposals for liberalisation. Two, countries such as China transformed beyond recognition during the round, becoming global export powerhouses yet continuing to plead developing country status. Three, the US in particular proved to be

largely spineless in taking on its own farm lobby, which demanded improbable amounts of market access abroad in return for subsidy cuts at home.

Doha in effect died when a ministerial meeting failed in 2008. While it continued for another seven years on life support, governments, particularly the US, have pushed ahead with bilateral or regional deals. These agreements, the most prominent of which is the Trans-Pacific Partnership, are a weak substitute for multilateral deals, not least because they are often one-sided agreements written by the strongest signatory.

A better approach would be plurilateral pacts among a group of governments, expanding to more countries after their creation and eventually being multilateralised under WTO rules. Some such deals — an agreement on government procurement and another on information technology goods — are already in place.

In the months after the failure of the 2008 ministerial meeting, a group of countries moved ahead with plurilateral talks on services trade liberalisation outside the aegis of the WTO. A successful conclusion of this services deal, and then expanding it and bringing it within the existing WTO services agreement, would send a strong signal that a broad-based negotiating function is still in place.

The WTO certainly has its faults: the need to reach consensus among all countries is inimical to swift, decisive policymaking. But it remains the best forum in which to set or at least administer many of the rules of world trade. Its dispute settlement function, in which panels of independent arbiters rule on cases brought by governments, still has credibility.

Having failed to save Doha in the WTO, its members must now save the WTO from Doha. The time and energy that was poured into a failing project can now be redirected into smaller deals that can still bolster the credibility of the institution and its members.

Doha is dead. Its passing should not be mourned. It opens up the space for trade multilateralism to be reborn.