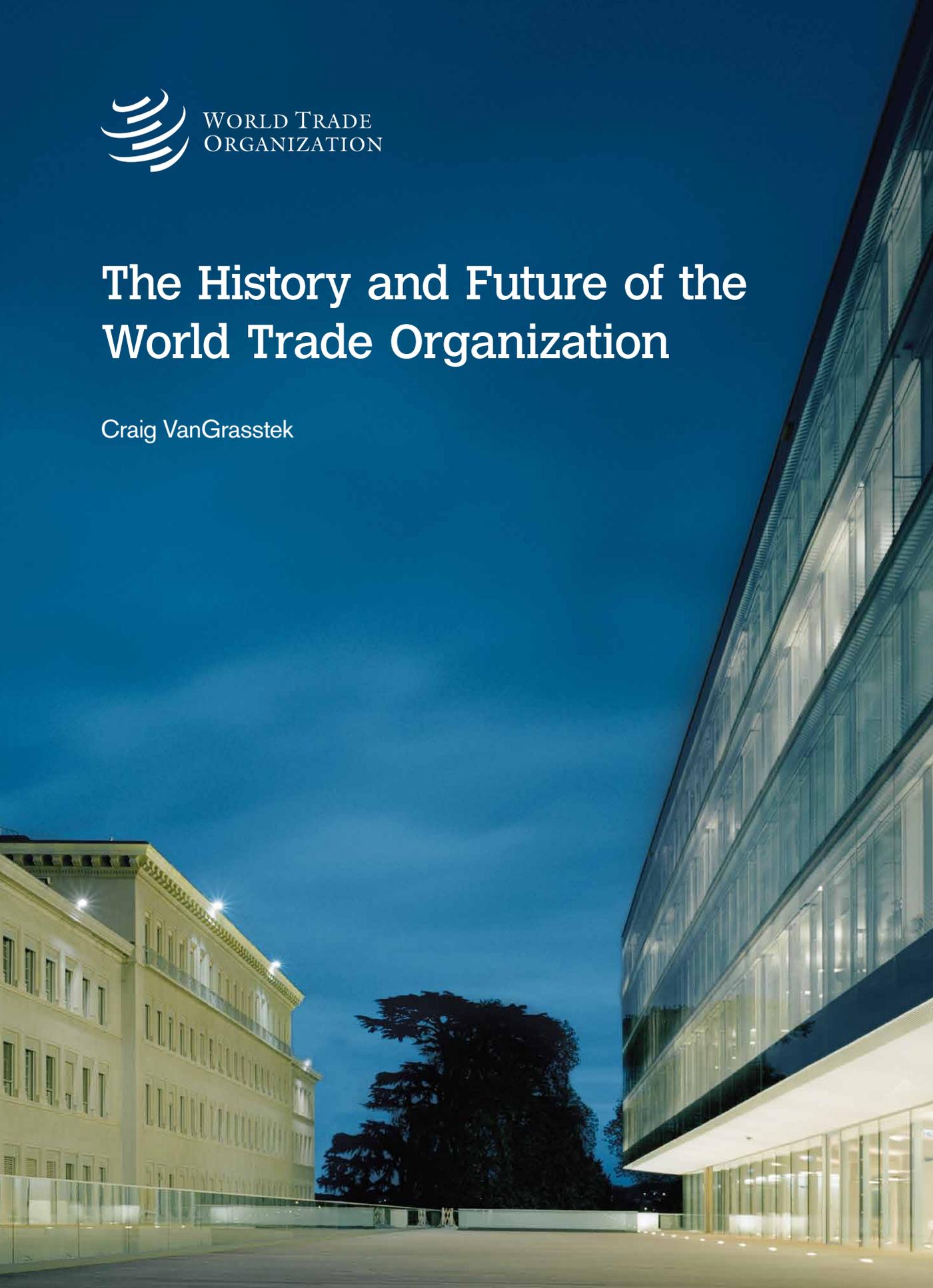




WORLD TRADE
ORGANIZATION

The History and Future of the World Trade Organization

Craig VanGrasstek



THE HISTORY AND FUTURE OF THE WORLD TRADE ORGANIZATION

Craig VanGrasstek



Disclaimer

The opinions expressed in this publication are those of the author. They do not purport to reflect the opinions of the WTO or its members. The designations employed in this publication and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the WTO concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

World Trade Organization
154 rue de Lausanne
CH-1211 Geneva 21
Switzerland
Tel: +41 (0)22 739 51 11
Fax: +41 (0)22 739 42 06
www.wto.org

WTO Publications
Email: publications@wto.org

WTO Online Bookshop
<http://onlinebookshop.wto.org>

Publication designed by Services Concept
Printed by Atar Roto Presse SA, Geneva

© World Trade Organization 2013
ISBN 978-92-870-3871-5
Published by the World Trade Organization

All photos copyright WTO unless otherwise indicated

Cover photo: The Centre William Rappard, the historic home of the World Trade Organization, with the new WTO building inaugurated in 2013. © Brigida González

Contents

| | |
|---|-----|
| Preface by WTO Director-General Pascal Lamy | vii |
| Foreword | ix |

Part I. The foundations of the WTO

| | | |
|-----------|--|----|
| Chapter 1 | The theory and practice of the multilateral trading system | 3 |
| Chapter 2 | The creation of the multilateral trading system | 39 |

Part II. Membership and representation

| | | |
|-----------|--|-----|
| Chapter 3 | Members, coalitions and the trade policy community | 83 |
| Chapter 4 | Accessions | 121 |
| Chapter 5 | Relations with other organizations and civil society | 151 |

Part III. Rules, norms and enforcement

| | | |
|-----------|--|-----|
| Chapter 6 | Rules and norms | 201 |
| Chapter 7 | Dispute settlement | 229 |
| Chapter 8 | Notifications, trade policy reviews and monitoring | 271 |

Part IV. Negotiations

| | | |
|------------|--|-----|
| Chapter 9 | Modalities, formulas and modes | 303 |
| Chapter 10 | WTO negotiations conducted outside the Doha Round | 335 |
| Chapter 11 | The launch: from Singapore to Doha, with a detour in Seattle | 373 |
| Chapter 12 | The conduct of the Doha Round | 413 |
| Chapter 13 | Discrimination and preferences | 463 |

Part V. The organization, the institution and the future

| | | |
|------------|--|-----|
| Chapter 14 | Leadership of the organization and management of the institution | 503 |
| Chapter 15 | The future of the WTO | 549 |

| | |
|--|-----|
| Annex 1: Biographical appendix | 571 |
| Annex 2: GATT/WTO senior management, 1948-2013 | 599 |

| | |
|---------------|-----|
| Bibliography | 601 |
| Abbreviations | 621 |
| Index | 625 |

*For Alma Crawford and Isidor Sherman,
who both believed in education.*

Preface by WTO Director-General Pascal Lamy

“History,” wrote James Baldwin, “does not refer merely, or even principally, to the past. On the contrary, the great force of history comes from the fact that we carry it within us, are unconsciously controlled by it in many ways, and history is literally *present* in all that we do.” It is in this spirit that I have commissioned *The History and Future of the World Trade Organization*. The purpose of this work is to not only tell us about our past, but to explain our present and to inform our future.

The General Agreement on Tariffs and Trade (GATT) arose in 1947 out of the ashes of the Second World War, as did the International Monetary Fund and what we now know as the World Bank. It was the product of unprecedented international cooperation by an international community that was deeply scarred by the damage and destruction that endless warfare had brought about; an international community searching for an entirely new beginning and a new international order. While GATT certainly ushered in a new era of international cooperation, it nonetheless had to weather the aborted effort to create the International Trade Organization, pressures of numerous other national and regional conflicts, and the entire Cold War, before eventually morphing into the WTO. Over a decade and a half later, it is now high time for a history of the WTO – the successor organization that inherited GATT.

The recording and writing of history is no easy task and is subject to its own set of controversies. As many of you know, historians are in a constant quest for new perspectives, and would view this quest as the very lifeblood of historical understanding. However, the reinterpretation of history has sometimes been called “revisionism”, and it is frowned upon by some and even viewed with suspicion by others. But there can be no recounting of history without a point of view. Historian Eric Foner often recounts his conversation with an eager young reporter from *Newsweek*. “Professor,” she asked, “when did historians stop relating facts and start all this revising of interpretations of the past?” “Around the time of Thucydides,” he told her.

This does not mean of course that absolutely any account of our past can count as history. In writing *The History and Future of the World Trade Organization*, Professor Craig VanGrasstek adhered to the strictest professional standards which clearly demarcate truths from falsehoods. We must nevertheless accept that there exists more than one legitimate account of the history of this organization.

In constructing his narrative of the very complex past of the WTO, Craig not only explores the wide cast of characters and coalitions involved in *making* the WTO, but also walks us through the many different alleys of the organization – the well-known and the less well-known – that give us the story behind the story on numerous WTO agreements. In so doing, he opens our minds to new explanations of how the WTO has become what it is today. This also gives us a sense of where the WTO can go tomorrow.

To my mind, the problems underlying the Doha Round – which is an important part of the WTO's history of the past ten years – must be solved sooner or later, even if there is a less than complete outcome. This will preconfigure a future negotiating agenda. But the WTO is more than its negotiating arm. There is no doubt either that several new challenges lie at the doorstep of the multilateral trading system, whether they are part of WTO agreements or entirely new issues. In parallel, many members continue to liberalize their trade unilaterally or through preferential trade agreements between pairs or groups of countries, which move the bar higher. History shows that this is not new. The WTO is very much a response to a similar set of challenges with which the international community was confronted more than 20 years ago.

It is my sincere hope that *The History and Future of the World Trade Organization* will start a conversation about the WTO's future. The book will be translated into different languages and in addition to being made available through a variety of book-stores, it will be uploaded onto the WTO website for wider electronic dissemination. I am pleased that Craig, a historian at heart and an avid follower of the multilateral trading system, accepted this undertaking and wrote this publication in record time. The entire trade community has a debt of gratitude towards him.

Pascal Lamy
WTO Director-General

Foreword

What chiefly makes the study of history wholesome and profitable is this, that you behold the lessons of every kind of experience set forth as on a conspicuous monument; from these you may choose for yourself and for your own state what to imitate, from these mark for avoidance what is shameful in the conception and shameful in the result.

Livy
The History of Rome, preface (c. 27 BCE)

This book is a history in form but a biography in spirit. That term is technically inaccurate, as one cannot literally write the record of a life for something that does not live. To the extent that we can speak of the World Trade Organization (WTO) as if it were living, however, it is still young. In most of its members, the WTO would barely be of legal age to drink, drive and vote. It has nevertheless been around long enough to permit preliminary assessments of those events that have changed the composition of its membership and altered the ways that those members interact with one another. An underlying theme of this study is that the character of an international organization represents more than the sum of its parties, being the institutional embodiment of specific ideas and aspirations. The fact that the membership of the WTO is virtually identical to that of several other international organizations that deal with global economic issues does not mean that their members meet in these different institutions with identical aims or that they deal with one another in these forums in identical ways. In 18 years of practice, and in its inheritance from a half-century of the General Agreement on Tariffs and Trade (GATT) and two centuries of trade diplomacy before that, the WTO has received and developed a character that sets it apart from all other global institutions.

The main unifying element of this analysis is a focus on change over time. The presentation is more thematic than chronological, however, examining developments not in the sequential form of annals but instead by subject. Most of the information that follows is presented with a view towards either comparing the WTO with the GATT period or in illuminating the changes that have taken place over the WTO's own tenure. Reference is made throughout this book to the GATT period, which can be precisely defined as 1947 to the end of 1994, and to the late GATT period, which can less precisely be defined as starting sometime in the latter years of the Tokyo Round (1972-1979) or in the interval between that round and the Uruguay Round (1986-1994). There are some ways in which the WTO period resembles the late GATT period, and other respects in which they are quite different eras.

A few broad themes emerge in the story that follows. They concern the expanding scope of issues and associated controversies that are defined to fall within the trading system, the transformation of the WTO into a near-universal organization, the place of the WTO in the changing relations between its members, and the divergent evolution of the institution's legislative and judicial functions. Each of these themes entails continuity as well as change from the GATT period, but the changes outweigh the continuity. Those aspects of the WTO that appear superficially similar or even identical to GATT can be deceptive, lulling observers into a false impression that the WTO is just an incrementally wider and taller version of GATT. It is instead best seen as a greatly revamped order that reflects the profound economic and political changes that long ago left behind a world of import quotas, "voluntary" export restraints and unilateral enforcement, not to mention the revolutionary changes in the ways that words and ideas are communicated, goods and services are produced and traded, and states relate to one another. The WTO is a part of a global system in which countries are aligned very differently than they had been in the GATT period, both in trade and in other matters. Some that had once been outside the global market economy are now among its most active members, and others have moved from the periphery towards the centre. This is not your grandparents' multilateral trading system.

The most important development in the late GATT and WTO periods, and one from which so much else springs, has been the expanding scope of what we comprehend "trade policy" to be. For most of the GATT period, and for centuries before that, trade was understood to be principally or exclusively about the movement of goods across frontiers and trade policy was largely confined to initiatives affecting tariffs, quotas, and other border measures that tax, regulate or prohibit those transactions. That began to change late in the Tokyo Round, and especially in the Uruguay Round, when trade negotiators took on a much wider array of issues that vastly expanded the scope of the rules that they adopted. Trade now encompasses the cross-border movement not just of goods but of services, capital, ideas and even people. The expansion in what we understand trade policy to be all about was the principal reason for the transition from GATT to the WTO, as the earlier arrangement – which was more a contract than an institution – was considered to be too weak a vessel to contain the new issues. The creation of this new body did not put an end to the squabbles over what constitutes trade and trade policy, however, as WTO members continue to struggle over whether and in what ways the system might be stretched to deal with new issues. The potential scope of issues is quite broad, as the European Parliament demonstrated in 2011, when it approved a resolution identifying 15 other policy areas that "a modern trade policy is required to take into account."¹ These included not just the well-established matters of job creation as well as agricultural and industrial policy, together with development policy and foreign policy plus newer issues such as labour rights and environmental policy, but also (among others) the promotion of the rule of law, corporate social responsibility, protection of consumer interests and rights, and even neighbourhood policy.

Membership in the multilateral trading system grew in both the GATT and WTO periods, but in the latter period that expansion has been just as notable for the qualitative as it is for the quantitative changes. Acceding countries such as China, the Russian Federation and

Viet Nam not only dwarf most of the countries that joined in the late GATT period but also reflect fundamental changes in international relations. It is no mere coincidence that the GATT system and the Cold War had almost identical lifespans; GATT entered into force the year after the Marshall Plan began and a year before the North Atlantic Treaty Organization came into being, and the terms of the Agreement Establishing the World Trade Organization were reached two years after the collapse of the Soviet Union. One set of events did not create the other, but all of them can be seen as end-points in parallel political and economic systems. The statesmen who proposed the creation of this new organization in the early 1990s were acutely aware of the major changes then taking place in the world, and often cited them as reasons for remaking the legal and institutional basis of the multilateral trading system.

The changing relationships among WTO members are affected not just by the incorporation of former Cold War adversaries into the system but also by major shifts in the relative positions of other countries that have been in it from the beginning. A small circle of developed countries called the shots in the GATT period, but economic influence and political power are much more broadly distributed in the WTO period. The widening scope of membership, coupled with different rates of growth in developed and developing countries, can be seen in the relative decline of the Quad (Canada, the European Union, Japan and the United States) and the commensurate rise of emerging economies such as Brazil, China, India, Indonesia, Malaysia, Mexico, South Africa and Turkey. The politics within and between these groups, and their relationships with the remaining members of the WTO, are much more complicated and contentious than had been the case in the GATT period. This has altered the conduct of multilateral trade diplomacy, which once appeared to be something like a developed-country oligarchy that met in the green room but today bears a closer resemblance to a diverse, representative democracy that is principally conducted through coalitions.

Readers who see that this is a history of the WTO might expect it to be either broadly a history of the multilateral trading system (thus covering GATT in depth) or specifically a history of the Doha Round (thus covering only one aspect of the WTO in depth). It is neither. The principal focus of this history is on the creation of the WTO and its subsequent evolution during the first 18 years of this organization's existence. The coverage of GATT in general and the Uruguay Round in particular is limited to those aspects of the negotiations that led to the establishment of the new organization and its more prominent norms and features, including the single undertaking, the revised dispute-settlement system and the Trade Policy Review Mechanism. As for the Doha Round, it is treated here as one of several undertakings in the WTO period. I operate at something of a disadvantage on this point, as the round is – at the time of writing – in an uncertain but unenviable state. It is not yet clear whether the negotiations will ultimately be revived, replaced, fragmented or terminated. Until this round is definitively resolved, one way or another, it is difficult to place the negotiations in their proper, historical framework. This is not to say that the Doha Round is passed over in this book. Two chapters of this history are focused, respectively, on the launch and conduct of the round; other chapters are devoted in large measure to examining the modalities and coalitions of the round. It will be appropriate at some future juncture to examine in depth the *denouement* of those talks, and in that light the conduct of the negotiations will no doubt merit closer examination as well. At present, one can only

speculate on what the final outcome will be and when it will come. The only point that seems incontrovertible is that in the WTO period the relative strength of the legislative and judicial functions of the WTO have been reversed. Compared to the GATT period, when the effectiveness of the dispute settlement system was diminished by the ability of respondent countries to block action, its WTO successor is much stronger and more frequently utilized. At the same time, the membership of the WTO has found it more difficult to navigate through new negotiations than the earlier, smaller group of contracting parties had found in the GATT period.

A few points are in order regarding the methods and sources used in this study. Documentary sources are naturally high on the list, including both primary and secondary works. For GATT, that meant delving into archival resources that are still in the process of being catalogued, but other scholars will be pleased to know that the materials are in very capable hands and are on their way to being made more generally available. The primary documentary resources of the WTO are daunting, given both the proliferation of documents and the more transparent nature of the institution; there the researcher encounters an embarrassment of riches. As for the secondary sources, Birkbeck (2009: 13) understated the matter when she noted that “[t]he scope of the literature on WTO governance and institutional reform is vast.” Scholars have been studying the structure and decision-making processes of international organizations since the League of Nations and the early United Nations periods,² and the WTO has been under close scrutiny from its inception. The body of scholarship on this specific institution has grown since the failed ministerials first in Seattle (1999) and then Cancún (2003), two events that led to much soul-searching within the trade community and the launch of two formal commissions. A great deal of that literature has been devoted to problems and potential solutions for the WTO, notably including the labours of the Sutherland (2005) and Warwick (2007) commissions. I have relied on much of that literature, but readers will understand that this is not an exhaustive review. Space would not permit it.

This history is a deliberately eclectic undertaking that explores the WTO in several dimensions, especially the “big three” of law, economics and politics. As such, it draws on theoretical constructs and previous scholarship in each of these fields. It is a great irony that while the gains from trade are based on the all-important division of labour, in actual practice a good analyst in this field needs to violate that same principle routinely. Anyone who attempts to understand the workings of the WTO solely by way of a single discipline is bound to fail. I have instead attempted to show throughout that this organization stands at the cross-roads of these three paths, and some others as well, and that one needs to navigate the paper trails in all of them in order to understand how the organization operates. I concentrate on the presentation of facts rather than the shaping of those facts into a misleadingly linear progression, and try to keep the discussion both readable for laymen and revealing for specialists. As engaging as disputation over theories and minutiae may be for the advocates of differing intellectual perspectives, that exercise can all too quickly degenerate into the kind of arguments that have made many use the term “academic” as a synonym for “irrelevant”, “moot” or “tedious”. This study is not an attempt to support or undermine any theories in the allied fields of trade economics, law, political economy, negotiations theory or the many other academic disciplines that may be brought to bear in the study of how domestic actors,

negotiators, dispute settlement panels or international organizations behave. In the interest of full disclosure, it is, however, appropriate to acknowledge that I am by training and disposition a political scientist, and as such I may place a greater emphasis on political aspects of the subject than might be the case were I instead a lawyer or an economist.

This eclecticism may leave some readers wondering what assumptions are made here regarding the causes of the reported events. Entire forests have been cleared to print the books in which historians and philosophers have wrestled over the extent to which it is people, ideas, resources or chance that drive history. "A lot of this comes down to individuals," according to Peter Sutherland, as "there's no inexorable tide of human events."³ That may well be true, and the history of the WTO could be explained principally as the product of key decisions made by a small circle of indispensable people. That would be too narrow a focus, however, and one would have to be a romantic on the scale of Byron to believe that the course of history is determined solely by individuals who take decisive action. The history of the WTO cannot be understood uniquely by way of a great man (or great person) conception of history, just as we would err in chalking it up entirely to the inspirational ideas of economists and legal theorists, or to see it only as an institutional superstructure that rests upon a materialist base, or as a merely random result of such exogenous shocks as the end of the Cold War; it is instead an "all of the above" process. I attempt in the story that follows to give individuals their due, but also to place the decisions that they have made – or failed to make – within a context that takes into account how it is that they were given the opportunity to make such choices in the first place.

Consider how these different factors affect two important developments described in this book, namely the creation of the WTO and the difficulties of the Doha Round. The opportunity to achieve that first success could not have arisen without the ideas and the actions of decisive individuals: there would be no WTO if US legal scholar John Jackson had not conceived it, Canadian statesmen had not translated his ideas into concrete proposals, and leaders such as Mr Sutherland had not shepherded the Uruguay Round to a successful conclusion. Their ideas and actions may have come to naught, however, if these thinkers and doers did not have the good fortune to operate in optimistic times in which developed countries celebrated the collapse of Communism, developing countries turned towards market-oriented solutions, and recessions seemed a thing of the past. The proposal also came in a period when the system as a whole was still willing to let a small number of its members provide the leadership. If ideas and individuals were all that mattered, we should expect the Doha Round to have been solved by now. It is structured along essentially the same lines as its Uruguay Round predecessor, and has seen its share of inspired and inspiring leadership, but comes at a time when caution trumps optimism and power is less concentrated. The negotiators in this round have encountered much higher hurdles than did their predecessors in the last one, some from outside the trading system and others of their own making, and have thus far been unable to clear them. Just as no one factor accounts for the success of the first period, the challenges in the second cannot be ascribed to any single cause.

One point that I know may exasperate some readers is the way that I have attempted throughout this book to avoid partisanship. Objectivity is a prime virtue in the academic tradition in which

I was raised, and as such I have never been comfortable with those studies that make little effort to distinguish analysis from advocacy. That vice of confusion may be more rigorously practised in studies of trade policy than in other fields, as the proponents of open markets are often so convinced of the rightness of their position, and feel so set upon by their critics, that they hate to pass up any opportunity they are given to advance the cause. The critics of free markets are equally given to larding their reportage with heavy doses of commentary, and may be somewhat more eager than their pro-market antagonists to do so in an *ad hominem* fashion. A history written from either of these opposite directions would take sides, critique the positions of specific countries or policy-makers, and assign credit and blame according to an implicit or explicit set of criteria regarding the correct prescription for public policy. That is not my aim. I am well aware that true objectivity is illusory, as none of us can entirely escape our biases (especially the ones about which we are not consciously aware), but I have nonetheless attempted to be as even-handed in my treatment of the facts, events, advocates and analysts as is consistent with my desire to present a factual and coherent narrative. The same comments apply to anyone who expects this book to heap opprobrium on specific individuals who might be singled out for criticism. In the course of interviewing many current and former negotiators, I found no shortage of people with firm ideas about who is most responsible for the apparent failure of the Doha Round, or for other perceived shortcomings in the management of the WTO or related matters. I also found that the objects of these criticisms varied greatly, with some commentators holding up for criticism some of the same people whom others praised and vice versa. I concluded that I could not hope to sort out the competing claims without running afoul of that broader rule against partisanship. Suffice it to say that while members of the Geneva policy-making community tend to be reticent about finding fault with their peer group – it is quite rare, for example, to hear one ambassador speak critically of another by name – they feel less reluctance when it comes to critiquing the higher-ups. That includes other countries' ministers, prime ministers and presidents, although generally not their own, as well as each of the men who have held the position of director-general of the WTO.

Honesty requires me to confess two points on which I lack objectivity. One concerns the home of the WTO, the Centre William Rappard. It is in my estimation one of only two truly beautiful buildings that serve as the headquarters of international organizations.⁴ The other is the high regard in which I hold the trade policy community of Geneva, composed of hundreds of people, who, despite differences over matters of politics and policy, share a devotion to their field. Over the past few decades I have come to know and admire many of them, and have enjoyed those opportunities that my work affords me to dabble in what the anthropologists call participant observation. The typical member of this rarified diplomatic community can negotiate in at least two languages, converse in three, mutter imprecations in four and order dinner and drinks in five or more. Many of them master the art of looking fresh at 9:00 am meetings even when they are six time zones away from Geneva and their jet lag forced them awake just two hours after falling asleep. In ministerials or other key meetings they can, when necessary, negotiate around the clock for two or even three days at a stretch. Their walls are often festooned with framed copies of their credentials and commendations from their ministries, sometimes alongside collections of art for which the only unifying theme may be the owner's postings to the various countries of origin. In their desk drawers, the wrinkled

currencies from past missions are mixed in with jumbles of connector cables, adapter plugs, travel-sized toiletries, an assortment of frequent-flier gold cards and travel claim forms waiting to be completed. They keep close at hand the bulging passports that are filled with the perfunctory stamps of major travel hubs and the full-page, multicoloured, hologram-enhanced visas favoured by other countries that attract only the most dedicated diplomats and adventurous tourists. They are interesting to watch.

A note on names is in order. The titles employed in this book for people and places conform to those in use at the time of the events discussed. Thus, Hong Kong becomes “Hong Kong, China” from 1 July 1997. The same general rule applies to other states that once existed but have since been broken into smaller units, such as Czechoslovakia and the Soviet Union. In the case of the European Union, for the sake of simplicity the term “European Community” is used for references prior to when the European Union gained legal personality on 1 December 2009 (before which time formal references in the WTO were to the “European Communities”). As for persons, the titles by which they, too, are mentioned refer to their status at the time of the events. Those British statesmen who have advanced their ranks in Burke’s Peerage, such as Lord Brittan and Lord Mandelson, are identified by their current titles when reference is made to recent statements or writings but they are referred to by their earlier titles when the actual events are recorded.

As a history with a biographical bent, this study relies not only on the publicly available documents, the archives of the WTO, and secondary sources, but also on information obtained through interviews and correspondence with participants. My handling of the last of these sources requires some explanation. When Thucydides chronicled the Peloponnesian War he could not accurately record speeches because “it was in all cases difficult to carry them word for word in one’s memory,” so his practice was “to make the speakers say what was in [his] opinion demanded of them by the various occasions, of course adhering as closely as possible to the general sense of what they really said.”⁵ The modern miracle that is the digital voice recorder, coupled with the tenets of academic integrity, prevent me from exercising that same sort of creativity. I have nonetheless employed some degree of discretion in the way that I render the words of my interviewees. This entails some cleanup of sentences to remove the ums and ahs, the false starts or repetitions, and the memory-searching filler words that are common to spoken language, and also corrections of the grammatical errors that are most frequently (but not exclusively) made by those for whom English is a second language. In an extreme and hypothetical example, a spoken sentence that might most precisely be recorded in a transcript as, “He was, you know, always complaining, always complaining about rules of origin and, um, about – [pause] what was it? oh yes – about tariffs escalation” would thus be rendered here as “He was always complaining about rules of origin and tariff escalation.” I have never added any nouns, adjectives or adverbs that the interviewee did not use, and the only changes I have made to verbs are to ensure their proper conjugation. As for the citation of sources, in nearly all cases I have indicated who and when, but for a small number of interviews I have opted either to make no mention of the specific interview or to cite it in a way that keeps the source anonymous. This was sometimes done to avoid embarrassment to the interviewee (some of whom can be remarkably frank even when that digital voice recorder is in plain sight) and sometimes to do the

same favour for the other persons to whom they referred. I have also given interviewees the opportunity to review and clarify any quotes, as I consider it more important to offer an accurate rendering of their memories and ideas than to make a precise transcription of their spoken words. In those cases where the changes that they made were more than minor tweaks, I have designated that shift by using the citation form “author’s correspondence with” rather than “author’s interview with”, and inserted the date of the subsequent correspondence rather than the date of the original interview.

Writing contemporary history means having more primary sources at hand, but that can be both a blessing and a curse. Anyone who has ever been trained in historiography (as I was four decades ago) or made the cross-over into the actual writing of history (as I have done for the past few years) will understand how living sources can sometimes fall into one of three problematic categories: those who are still engaged in the game and hence feel constrained to hew to the party line, especially while the outcome of the Doha Round remains in doubt; those who recently retired from the game and are eager to put a positive spin on their own participation, either claiming credit for advances or avoiding the blame for retreats; and those who left the game some time ago and may plead a poor memory – whether actually or tactically – when asked to reveal those deliberations that were internal to their countries or themselves. Thankfully, that cynicism is warranted only some of the time, and I am grateful to those many persons who have been generous with their time, memories and ideas. I am especially indebted to those interviewees who went beyond the immediate questions that I posed to them about the sequence of the events in which they were involved. The observations that Ujal Bhatia, Pascal Lamy and John Weekes made in my interviews with them each helped me to recast or redirect my inquiries in ways that I had not thought about prior to our discussion. Candour nonetheless obliges me to admit that not every interviewee proved to be equally forthcoming. Sometimes the most interesting things that a source had to say, either relaying events that are not common knowledge or sharing less than flattering opinions of their counterparts, were immediately preceded or quickly followed by a declaration that the statement was not for attribution. Not that the historian should take these things personally. If negotiators are savvy enough to know that they ought not to expect their partners to reveal their true bottom lines, and diplomats understand that what they say to one another is not always a full and frank declaration, a social scientist should not harbour unrealistically higher hopes.

Readers will also note the frequency with which I attempt to quantify trends. Wherever appropriate and possible I take my lead from Sir William Petty, who explained over three centuries ago that his method of “Political Arithmetick” was based not only on “comparative and superlative Words, and intellectual Arguments” but in expressing himself “in Terms of *Number, Weight, or Measure*; to use only Arguments of Sense, and to consider only such Causes, as have visible Foundations in Nature” (Petty, 1690: 244). It is in that spirit that I offer a variety of descriptive statistics on the underlying economic characteristics of WTO members and the ways that they relate to one another, typically in time-series that compare the WTO period with the GATT period, that distinguish between different phases within the WTO period, or both. I have deliberately restricted the presentation to descriptive statistics, however, and stayed away from inferential statistics. While I know there are several points at which I might more effectively argue for a statistical relationship by offering some regression that shows how a given

dependent variable relates to some set of independent variables, I also know that this is the quickest way to lose half the readership. Whenever I have been forced to choose between accessibility and analytical rigour, I have opted for the former.

I owe tremendous debts of gratitude to several people who have provided assistance to me in the research and writing of this study. I could not possibly have written the origins of the WTO without the unflagging help of Debra Steger, who shared her recollections and wisdom on this and other topics. She and Bill Crosbie also offered invaluable aid in arranging interviews and making Canadian archival material available to me. My debt to Julio Lacarte is as large as my admiration for his experience, skills and accomplishments. Thanks are due to the many members of the WTO Secretariat who have helped me to unearth facts, data, documents and photographs, or to review the manuscript for errors or omissions. Among those to whom I owe thanks are Rolf Adlung, Rob Anderson, Trineesh Biswas, Cathy Boyle, Maria Bressi, Antonia Carzaniga, Isabelle Célestin, Victor do Prado, Johann Human, Patrick Low, Hamid Mamdouh, Serafino Marchese, Juan Marchetti, Anthony Martin, Ross McRae, Anna Caroline Müller, Laoise NiBhriain, Maika Oshikawa, Peter Pedersen, Cedric Pene, Maria Pérez-Esteve, Paulette Planchette, Shishir Priyadarshi, Keith Rockwell, Martin Roy, Marta Soprana, Antony Taubman, Raul Torres, Lee Tuthill, Janos Volkai and Rufus Yerxa. Special thanks are owed to Maria Verastegui, without whom the Biographical Appendix would have been impossible. Ankur Mahanta kindly assisted me in the preparation of tables in Chapter 7. I have benefited from the comments and criticisms of Clem Boonekamp, Arancha González, David Hartridge, Bernard Hoekman, Alejandro Jara, Gabrielle Marceau and Ramon Torrent. Above all, I am grateful to Pascal Lamy for giving his consent and his support to this project. Any errors that remain are entirely my own.

I conclude by conveying my regret for the length of what follows. Trade negotiators sometimes define “services” as “anything that doesn’t hurt when you drop it on your foot”, and by that definition the hard-copy version of this book is no service. With apologies to the readers’ feet, I can only repair to Pascal’s lament, “I made this very long because I did not have the leisure to make it shorter.”⁶

Craig VanGrasstek
Washington, DC
June 2013

Endnotes

- 1 See *New Trade Policy for Europe under the Europe 2020 Strategy*, European Parliament resolution 2010/2152(INI), 27 September 2011.
- 2 See, for example, Koo (1947) and McIntyre (1954). For a review of the major theoretical trends in the first half-century of these studies, see Martin and Simmons (1998).
- 3 Author's interview with Mr Sutherland on 18 January 2013.
- 4 The only other headquarters building that meets this definition is the (otherwise unnamed) main building of the Organization of American States, in Washington, DC.
- 5 *The History of the Peloponnesian War* Book I, Chapter I, para. 22. Translation by Richard Crawley.
- 6 Blaise Pascal, letter to the Jesuits of 23 October 1656 (Letter XVI in his *Provincial Letters*).