

Is the World Trade Organisation still relevant?

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- United States President Donald Trump's 'reciprocal tariffs' have been compared to the Smoot-Hawley tariffs of the 1930s, which many say hastened the slide into the Great Depression.
- The difference between the 1930s and now is that we have the World Trade Organization (WTO) to oversee and enforce global trade rules. However, some argue that **over the years**, the **WTO has gradually lost its compass and is in need of massive reforms.**
- The **Appellate body** or the dispute settlement mechanism (DSM) has also being rendered **dysfunctional.** It started during Barack Obama's time. Since then, the **U.S. has blocked appointments to the Appellate body, the ultimate court of appeal.**
- The tariffs indicate the U.S.'s final withdrawal from the WTO system.

World Trade Organisation (WTO)

- The bedrock of the multilateral trading system is **Article 1**, **MFN**. **Free trade agreement (FTA) is an exception to Article 1** and has to be blessed by the WTO.
- WTO is an international institution formed to regulate the rules for global trade among nations.
- It was formed under the **Marrakesh Agreement** signed on 15th April 1994 by 123 countries after the **Uruguay Round negotiations** (**1986-94**) of the General Agreement on Tariffs and Trade (GATT), leading to the birth of WTO in 1995.
- WTO succeeded the GATT which had regulated world trade since 1948.
- GATT focused on trade in goods, while WTO covers trade in goods, services, and intellectual property, including creations, designs, and inventions.
- Headquarters: Geneva, Switzerland.
- Members: **166 countries**, representing 98% of global trade.

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Ministerial Conference

The WTO's **main decision-making**body consists of trade ministers

and senior officials from 164 nations.

It meets **every two years** to address global trade developments.

Last MC, i.e. 13th, was held in **Abu Dhabi** in 2024.

WTO General Council



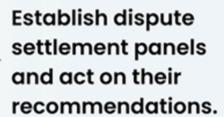
Highest-level decisionmaking body

Also meets as the Dispute Settlement Body (DSB) and Trade Policy Review Body.



Dispute Settlement Body (DSB)

Founded in 1995 to resolve disputes among WTO members.



Consider Appellate Body reports that review panel decisions.







Major W

- 1 Agreement
- 2 General Ag
- Agreement of Intellectu
- Agreement to Trade
- 5 Agreement