

*How important is success—and especially early success—of the Doha Round?*

Some observers drew a distinction between the functioning of the WTO and the trade system on the one hand and whether or not progress is made in the Doha Round on the other.

Thus, it was argued, while the Doha Round may face complications, the system continues to work well. As an institution, the WTO is fulfilling its function: it is attracting an expanding membership (most recently and most notably China) and has demonstrated success in bringing “inside the tent” conflicts that in the 1970s and 1980s had taken place outside the GATT framework. For example, the EU-US dispute over the US Foreign Sales Corporations (FSC) tax measures was brought to the Dispute Settlement Body; this was a replay of the GATT-era dispute over the similar Domestic International Sales Corporation (DISC) tax measures which was handled bilaterally. The same is true of other EU-US issues, even if they remain to some extent unresolved. Moreover, we are not seeing the emergence of openly protectionist measures such as voluntary export restraints (VERs) or aggressively unilateral behaviour as we did in the pre-WTO days. While there are problems in the system, these were seen by some as not being so bad; in any case, it was pointed out, business has managed to “privatize” many trade issues of immediate concern (e.g., multinationals that want to use developing countries as an export base deal directly with the governments involved in order to resolve technical issues such as those addressed under the Sanitary and Phytosanitary Standards and Technical Barriers to Trade agreements). Accordingly, some questioned: whether it mattered if the Doha Round concluded in 2005, 2007 or 2010? Politicians, it was suggested, can sense this and that undermines any sense of urgency.

Seen this way, early success—or even much success in an extended timeframe—is not necessarily all that important (it was even suggested that it would be better if the Doha Round petered out, with perhaps conclusions being reached only in agricultural negotiations, while we all took the time to better understand the issues and the possible eventual bargain).