



DOHA ROUND IS STALLED; NOT STOPPED

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ABSTRACT

Don't believe everything you read when you see that this latest round of multilateral trade negotiations (the Doha Round) is over and finished with because of the inability to reach an agreement in Cancun, Mexico. All of this has happened before in other rounds and they have all been resurrected and carried to completion. This one will too and here's why and how.

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Don't believe all the headlines you read screaming out the collapse of the "Doha Round" and the end of this multilateral trade negotiation (MTN). This is not uncommon and has happened before. The last MTN, the "Uruguay Round" went through several periods when talks were stalled and the Round declared dead. But then one or two leaders, quietly behind the scenes, began talking to the different camps and got things back on track and the talks continued until completion. These kinds of situations are inevitable, now that the World Trade Organization (WTO) has grown in size, with so many different countries from around the world in membership.

When the first trade agreement was reached back in 1947, the General Agreement on Tariffs and Trade (the GATT), there were only a handful of countries involved, 23 to be exact. They

were primarily the Allied countries from World War II that had functioning economies and were already in agreement on most of the issues facing trade at that time. Trade talks were easy and took less than a year.

Even through the fifties, MTN Rounds 2, 3 and 4 only took a year to complete. The only subject on the table was tariff reductions and subscribers to the agreement grew slowly. The sixties brought more complicated issues to the table for negotiation, including non-tariff barriers and standards. But with membership still low in comparison to today, talks progressed fairly rapidly. Round 5 took only 3 years and the "Kennedy Round" took 4 years (1964-67).

By the seventies and eighties, membership in the GATT grew to over 80 countries and the issues on the table grew in