



# International Economic Law

**Session 1**  
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# Outline of the Course

**Session 1:** Introduction - Backlash against economic globalisation

## **Sessions 2 & 3**

WTO law – 1: Introduction

- Brief History of the WTO law
- Functioning of the WTO law
- Membership of the WTO
- Institutional Structure of the WTO
- Decision-Making in the WTO

# Outline of the Course

## Session 4

### WTO law – 2: The WTO Dispute Settlement System

- Background Information – ILC Articles on State Responsibility and the Vienna Convention on the Law of Treaties
- Jurisdiction of the WTO Dispute Settlement
- Access to the WTO Dispute Settlement
- Key Features of the WTO Dispute Settlement System
- Institutions in the WTO Dispute Settlement system

# Outline of the Course

## Session 5

### WTO law – 2: The WTO Dispute Settlement System

- Background Information – ILC Articles on State Responsibility and the Vienna Convention on the Law of Treaties
- Jurisdiction of the WTO Dispute Settlement
- Access to the WTO Dispute Settlement
- Key Features of the WTO Dispute Settlement System
- Institutions in the WTO Dispute Settlement system

# Outline of the Course

## Session 6

### WTO law – 2: The WTO Dispute Settlement System

- Process of the WTO Dispute Settlement System
- Remedies under the WTO Dispute Settlement System

# Outline of the Course

## Sessions 7-8

WTO law – 3: Selected Substantive Provisions of the GATT 1994 and GATS

- Most-Favoured-Nation Treatment under the GATT
- Most-Favoured-Nation Treatment under the GATS
- National Treatment under the GATT
- National Treatment under the GATS
- Market Access (Tariff Barriers and Non-Tariff Barriers) under the GATT
- Market Access under the GATS

# Outline of the Course

## Session 9-11

WTO law – 4: General and Security Exceptions

- General Exceptions under the GATT
- (General Exceptions under the GATS)
- Security Exceptions under the GATT
- (Security Exceptions under the GATS)

## Sessions 12 onwards

Selected WTO Covered Agreements (TRIPs, Anti-Dumping, etc) & wrap up & evaluation reports

# Introduction: Why Free Trade?

## WTO and FTA

1. Free trade v. Trade restrictions
2. Arguments for free trade
3. Issues with free trade
4. Rationale for trade restrictions
5. Effect of Free Trade Agreements on international trade – do they in fact promote trade and investment flow?

# Economic Globalisation



What is 'Globalisation'?

“The closer integration of the countries and peoples of the world which has been brought about by the enormous reduction of costs of transportation and communication, and the breaking down of artificial barriers to the flow of goods, services, capital, knowledge, and (to a lesser extent) people across borders” (J.E. Stiglitz)

“the inexorable integration of markets, nation-states and technologies to a degree never witnessed before – in a way that is enabling individuals, corporations and nation-states to reach around the world farther, deeper and cheaper than ever before, and in a way that is enabling the world to reach into individuals, corporations and nation-states farther, faster, deeper and cheaper than even before.” (M. Friedman)

# Economic Globalisation

What is “Economic globalisation”?

 the gradual integration of national economies into one borderless global economy

What is the driving force of economic globalisation?

- Technology
- Policy shift

# Economic Globalisation

Backlash against globalization (especially in the US under the Trump Administration)

- ▶ January 2017: Inauguration of President Trump
- ▶ The President's 2017 Trade Policy Agenda
- Key principles: 'The overarching purpose of our trade policy – the guiding principle behind all of our actions in this key area – will be to expand trade in a way that is freer and fairer for all Americans. Every action we take with respect to trade will be designed to increase our economic growth, promote job creation in the United States, promote reciprocity with our trading partners, strengthen our manufacturing base and our ability to defend ourselves, and expand our agricultural and services industry exports. As a general matter, we believe that these goals can be best accomplished by focusing on bilateral negotiations rather than multilateral negotiations – and by renegotiating and revising trade agreements when our goals are not being met.'

# Economic Globalisation

Backlash against globalization (especially in the US under the Trump Administration)

- ▶ The President's 2017 Trade Policy Agenda (cont.)
  - Key objectives include 'Resisting efforts by other countries – or Members of international bodies like the World Trade Organization (WTO) – to advance interpretations that would weaken the rights and benefits of, or increase the obligations under, the various trade agreements to which the United States is a party.'
  - Top priorities include 'Defending national sovereignty over trade policy'.
  - '...even if a WTO dispute settlement panel – or the WTO Appellate Body – rules against the United States, such a ruling does not automatically lead to a change in U.S. law or practice. Consistent with these important protections and applicable U.S. law, the Trump Administration will aggressively defend American sovereignty over matters of trade policy.'

# Economic Globalisation

Backlash against globalization (especially in the US under the Trump Administration)

▶ **Remarks by President Trump to the 72nd Session of the United Nations General Assembly**

“For too long, the American people were told that mammoth multinational trade deals, unaccountable international tribunals, and powerful global bureaucracies were the best way to promote their success. But as those promises flowed, millions of jobs vanished and thousands of factories disappeared. Others gamed the system and broke the rules. And our great middle class, once the bedrock of American prosperity, was forgotten and left behind, but they are forgotten no more and they will never be forgotten again.”

# Backlash against Economic Globalization

- ▶ What are the sources of the current backlash against globalization?

- ▶ Fear

- ▶ Conception that globalization is a process through which power is distilled upward and away from the poor, toward a global elite

Oxfam Report (16 Jan 2017): “Just 8 men own same wealth as half the world”

# Criticisms of WTO

- ▶ “The WTO and GATT Uruguay Round Agreements have functioned principally to pry open markets for the benefit of transnational corporations at the expense of national and local economies; workers, farmers, indigenous peoples, women and other social groups; health and safety; the environment; and animal welfare. In addition, the WTO system’s rules and procedures are undemocratic, un-transparent and nonaccountable and have operated to marginalize the majority of the world’s people.”

<http://www.citizen.org/trade/wto/index.cfm>

# Next week presentation



Positive and Negative aspects of economic globalization

Q1. What are the benefits of economic globalization and international trade?

Q2. What are main concerns over economic globalization and international trade?

Q3: How should we address these concerns?