

Multilateral Trade Negotiations: History and Cases (8751.514)

Time: Thursday 14:00-18:00
Lecture Room: 202 in Bl.140-2
Instructor: Dr. Minjung Kim
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Office Hour: By appointment

■ COURSE DESCRIPTION

This course mainly deals with the GATT/WTO negotiation history and relevant cases. Part I will begin with general understanding of international trade negotiations, overviwing the world trading system and covering basic theories of international negotiation and internal trade policies. In Part II, history of the GATT/WTO multilateral trade negotiations will be discussed; each week is roughly assigned with a trade negotiation Round, from the GATT origin to Kennedy Round, Tokyo Round, Uruguay Round establishing the WTO, to Doha Development Agenda, discussing relevant negotiation agenda, legal developments, and political economic aspects. Part III focuses on important negotiation cases where students can learn their respective core issues, conflicts of interest, and resolving mechanisms.

The course will be mainly composed of lectures and case presentations. It also includes a negotiation simulation game that may provide students with a hypothetical experience. Although it will exclusively address international trade issues and disputes, there is no prerequisite for students; students of non-trade majors can attend.

■ TEXTBOOKS/ REFERENCE

No textbook is assigned. Nevertheless, the following references can be helpful for general understanding and suggested readings relevant to each week's topic is given in the course outline:

- Douglas Irwin (2008), The Genesis of the GATT, Cambridge.
- Peter Gallapher (2005), The First Ten Years of the WTO: 1995-2005, Cambridge.
- Charan Devereaux et al (2006), Case Studies in US Trade Negotiation Vol.1, IIE.

■ EVALUATION

- Class participation (including attendants): 10%
- Case presentation and Report: 50%
- Final exam: 40%

■ COURSE OUTLINE & READING MATERIALS

PART I. TRADE NEGOTIATIONS

1. The World Trading System

- Overview of the international economic system
- the GATT/WTO trading system

Readings:

- Understanding the WTO, www.wto.org

2. Basics of Trade Negotiations

- Economic rationals for trade agreement
- Principle of reciprocity and MFN
- Procedures and modalities

Readings:

- John Jackson, "Sovereignty, subsidiarity, and separation of powers: The High-wire balancing act of globalization", in Kennedy, The Political Economy of International Trade Law.
- Devereaux, Case Studies in US Trade Negotiation Vol.1, Ch 1.

3. Trade Negotiation Policies

- US Trade Negotiation
- Trade Promotion Authority (Fast Track)
- Trade adjustment assistance
- EU negotiation system

Readings:

- Devereaux, Case Studies in US Trade Negotiation Vol.1, Ch 6.

4. Negotiation Simulation Game

PART II. THE GATT/WTO NEGOTIATIONS

5. Origin of The GATT system

- The Bretton Woods system
- Failed creation of the ITO and birth of the GATT
- Operation of the GATT

Readings:

- Hoda, Tariff Negotiations and Renegotiations under the GATT and the WTO, Chapters 1-2
- Irwin, The Genesis of the GATT, Chapter 1-2.
- Jackson, Restructuring the GATT System, Chapters 2-3.

6. Tariff Negotiations

- Rounds of tariff negotiations in the 1950s and 1960s

Readings:

- Hoda, Tariff Negotiations and Renegotiations under the GATT and the WTO, Chapters 3-5.

7. Kennedy Round negotiations

- Features of the negotiations
- Negotiations for the Anti-dumping Code

Readings:

- Preeg, Traders and Diplomats: An Analysis of the Kennedy Round under the General Agreement on Tariffs and Trade, Chapter 13-16.

8. Tokyo Round and non-tariff negotiations

- Negotiations for non-tariff barriers
- Side Agreements (subsidies, agriculture, standards, etc.)

Readings:

- Gilber Winham, International Trade and Tokyo Round Negotiations.
- Patrik Low, Trading Free: the GATT and US Trade Policy.

9. Uruguay Round and the WTO

- Establishing the WTO
- Multilateral Agreements (GATT, GATS, TRIPS) and PTAs
- TPRMs
- Dispute Settlement System

Readings:

- Croome, Reshaping the World Trading System: A History of the Uruguay Round.

10. Doha Development Agenda

- From Singapore to DDA (Singapore, Seattle)
- DDA and afterwards (Cancun, July Package, Bali)
- Trade Facilitation Agreement

Readings:

- Gallapher, The First Ten Years of the WTO: 1995-2005, Cambridge.
- Hohmann, Agreeing and Implementing the Doha Round of the WTO, Ch 2.

PART III. CASE STUDIES

11. Theme 1: Trade Negotiations and Development

- Case of the TRIPS negotiations (IPRs and health issues in developing countries)

Readings:

- Devereaux, Case Studies in US Trade Negotiation Vol.1, Ch 3

12. Theme 2: New Issues in Trade Negotiations

- Case of the TRIMs negotiations (NAFTA investment chapter)
- Case of Seattle Ministerial Conference (Environment)

Readings:

- Devereaux, Case Studies in US Trade Negotiation Vol.1, Ch 4

13. Theme 3: WTO Accession and Implementation

- Case of China's WTO Accession
- Trade dispute over trading rights to audiovisual distribution
- Trade dispute over export restriction in raw materials

Readings:

- Panel and Appellate Reports, China - Measures Affecting Trading Rights and Distribution Services for Certain Publications and Audiovisual Entertainment Products (DS 363)
- Panel and Appellate Reports, China - Measures Related to the Exportation of Various Raw Materials (DS 394, 395, 398)

14. Theme 4: Bilateral negotiations

- Case of the China- US Bilateral Agreement
- Case of the US-EU Mutual Recognition Agreement
- Case of the Korea-US Free Trade Agreement

Readings:

- Devereaux, Case Studies in US Trade Negotiation Vol.1, Ch 6
- Devereaux, Case Studies in US Trade Negotiation Vol.1, Ch 7

15. Final Exam (June 14)

**The schedule and weekly topics are subject to change.*