Editorial

Bali Conference To Decide The Fate of WTO

The ensuing bi-annual ministerial conference of the World Trade Organisation (WTO), scheduled from December 3-6, 2013 at the Indonesian capital Bali is going to be very crucial in the history of the WTO. The stalemate in negotiations, continuing since the Seattle Conference-1999, might render the WTO to be an irrelevant platform for framing fresh rules for multilateralism in economic relations, if this stalemate would continue at Bali. However, it should not be misinterpreted from it that the WTO would lose its relevance in executing the Multilateral Trade Agreements (MTAs) and the plurilateral trade agreements signed hitherto by the members on failure of the negotiations at Bali, or they would cease to have their bindings. These agreements coming under the domain of the WTO would continue to bind the national governments, unless they are revised. The bindings arising out of these agreements against the national governments have already created unprecedented economic asymmetries world over. The GATT 1994, the Agreement on Trade Related Investment Measures (TRIMS), the Agreement on Trade Related Intellectual Prosperities Rights (TRIPS), the Agreement on Agriculture (AOA) and so on, have been restraining the governments of the countries, member of the WTO, from putting any restrictions on free movement of goods and capital on the one hand, and adopt IPR regimes suited for the large multinational corporations and often to the prejudice of the national needs of lesser developed and developing countries. Consequently, the economic developments, trade, manufacturing and commerce have been expanding asymmetrically in the world. China has emerged as the largest exporting as well as the largest manufacturing country of the world. Large parts of the world and more and more countries are getting foreign dependent, chiefly upon China for most of their manufacturing requirements. This is depreciating the manufacturing sector growth rates world over including India. The manufacturing growth rate in India has gone down to 2.5 percent in 2011-2012 and 1.7 percent in 2013-2014, the worst ever in the post- independence period. Such a nosedive in the manufacturing sector is bound to pad to joblessness and decline in the R & D the country. In view of this the neo-liberal economic policies need to be reviewed urgently, to accord greater autonomy to sovereign governments to regulate their imports, foreign investments, cross border acquisitions and portfolio investments to safeguard domestic trade, commerce and industry for sustained growth, employment generation and technology development. Looking towards the problem of decaling rates of growth and, the rising fiscal, trade and current account deficits into rationale of continuing the neo-liberal policies are being questioned several countries. The newly proposed provisions of the telecom manufacturing policy mandating 30 percent indigenous contents into all telecom products being marketed in the country could not be implemented, because of the commerce ministry's apprehension of violation of 'Agreement on TRIMS'. Hence, the MTAs signed, ever since the Marrakesh summit needs to be reappraised to suit the needs of balanced in economic growth across the globe.

(Prof. **Bhagwati Prakash Sharma**)