



SECTION 6. COMMITTEES AND TOPICS

6.5 WORLD TRADE ORGANIZATION (WTO)

Introduction

As the global economy chugs along, countries across the world are slowly pulled out of poverty in a variety of ways. Whether through tourism, sales of natural resources, or raw supply of labor, many countries designated as having “developing economies” are improving their standard of living. With new economic power comes new trade and new relationships between previously isolated populations. Yet new relationships bring new problems; though global financial institutions offer member nations a forum to bring complaints, pursue investment, and forge partnerships, the methodologies and semantics of these institutions have led to debates between members.

Words have power in international politics as they do everywhere, and the words we use to denote the world’s emerging economies generate debate with far-reaching political implications. The World Trade Organization (WTO) divides member nations into two groups: developed countries and developing countries. Additionally, the WTO maintains a list of least-developed countries (LDCs) which it takes from the United Nations Committee on Tariffs and Trade, but these countries may refer to themselves or are referred to as developing. According to the WTO website, “There are no WTO definitions of ‘developed’ or ‘developing’ countries. Developing countries in the WTO are designated on the basis of self-selection although this is not necessarily automatically accepted in all WTO bodies.” According to the 2018 UNCTAD Handbook of Statistics, “There is no established convention for the designation of ‘developing,’ ‘transition’ or ‘developed’ countries or areas in the United Nations system.” There is however, a United Nations Conference on Trade and Development definition that is commonly used by the WTO.

Defining “Developing Countries”

Though the WTO has never created separate standards for developed and developing nations, through its various rounds of negotiations, the WTO has become a place where the developed world and the developing world meet to cooperate and discuss evolving economic challenges. There are two large issues that drive many others: the words we use to contextualize national development, and how to treat nations truly deserving of the word ‘developing’. The consequences of semantics range far beyond the courtroom, having the potential to affect a nation’s diplomacy and even its ability to attract investment. This committee should provide a

balanced context of the historical relevance of developing countries, and how the tumultuous nature of their economic expansion has come to shift global system from which they grew.

Questions to Consider:

Is your country a “developed” nation, or an “undeveloped” nation?

How does your country define a “developing” vs “developed” nation?

How did the divide become so large, and should the UN close that divide?

Are there negative connotations to being labeled a “developing” nation?

Resources:

https://www.un.org/en/development/desa/policy/wesp/wesp_current/2014wesp_country_classification.pdf

<http://hdr.undp.org/en/composite/HDI>

http://hdr.undp.org/sites/default/files/2018_summary_human_development_statistical_update_en.pdf

The Treatment of Developing Countries

Many legal issues have emerged surrounding the moniker of ‘developing nations.’ BRICS (Brazil, Russia, India, China, and South Africa) was once an acronym meant to denote the five most notable developing economies. Today, BRICS is a formal diplomatic organization with a bank, the NDB (New Development Bank), behind it. Many of these self-proclaimed developing nations assert that their fragile economies should grant them formal and informal exemptions from multilateral agreements. In today’s globalized world, the difference between developed and developing economies has become a more important point of contention than ever before.

Questions to Consider:

How does your country treat other developing as well as developed nations?

Does your country have a history of colonization? Were you colonized or a colonizer?

How does your country contribute to the global community?

Does your country rely on imports or exports?

Resources:

https://www.wto.org/english/tratop_e/dda_e/dda_e.htm

https://www.wto.org/english/res_e/booksp_e/00_wtr19_e.pdf

https://www.wto.org/english/res_e/statis_e/wts2019_e/wts19_toc_e.htm