

Portents of a "New Deal" in Global Trade and
Environment Politics?

By

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Prepared for the 47th Annual Convention of the International Studies Association
March 22-25, 2006 - San Diego, CA

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ABSTRACT

The increasingly prominent role of developing state actors and goals in global trade regime negotiations might suggest a possibility of reform leading to greater equity in process and policy outcomes. Less developed states played a significant part in the breakdown of 1999 Seattle Ministerial, the “exiled” meeting in Doha, the collapse of talks at Cancun, and the last minute salvaging of recent talks at Hong Kong. Their attainment of veto power, together with support from many non-governmental organizations, has led to some success thus far in opposing the new WTO “round” championed by developed states, the adoption of a “development agenda,” and the achievement of modest movement on perceived unfairness in institutional process and outcomes. The “rich man’s club” milieu once ascribed to GATT trade talks, where less developed states were meant to be seen but not heard, (and NGOs were scarcely tolerated) appears somewhat less clubby now, somewhat more public and inclusive, and subsequently, more contentious. Recent developments at Hong Kong also show some possibly inherent limits to this course, however.

A shift in institutional process and policy towards greater inclusion raises various issues that regime analysts have often grappled with, the impacts of hegemony, legitimacy, efficiency and equity on regime persistence and effectiveness. In this paper I examine the process and policy change in the trade regime in terms of inclusive/exclusive and elitist/egalitarian dimensions, and implications for the trade regime. I suggest while the existence of hegemonic actors is often posited to be a resource that can foster regime persistence, the spread of norms and regime through diffusion and persuasion can be seen to have had some success, in a manner providing greater equity and inclusion, and ultimately legitimacy. Movement toward greater equity and inclusiveness in the trade regime, however, is probably as likely to

take the form of cooption, a modest opening up of process to major developing states along with selective distribution of benefits, rather than broader, across the board reform, with movement towards process and policy equity.

In comparing bargaining and rule-making in global trade and environmental regimes, I suggest that although the effectiveness of global environmental regimes remains problematic (the gridlock of the Johannesburg World Summit on Sustainable Development in 2002 provided little in the way of hope for environmentalists counting on world efforts to counter global environmental degradation), the bargaining patterns in the Biosafety Protocol of the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change provide some evidence that less-hegemonic bargaining patterns, characterized by greater publicity, inclusiveness, and democratic process, have had somewhat greater success in achieving potentially viable political outcomes. In the wake of the Hong Kong, major reform in process and policy in the WTO seems unlikely, and even the barest incrementalism may pose an institutional challenge. Nevertheless, the legitimacy and ultimately, the persistence of the trade regime may benefit from the greater accommodation and inclusion of less powerful actors and more public and transparent process.

INTRODUCTION:

The growing prominence of Less Developed Countries (LDCs) in World Trade Organization (WTO) bargaining has become increasingly apparent in recent negotiations, exemplified by the impacts of states like Brazil and India, and blocs like the G20, G33 and G90. Development issues have also received prominent place on the WTO's formal agenda since Doha, which suggests greater commitment, at least in rhetoric, to LDC concerns. These trends suggest some potential for political, process, and substantive reform in the trade regime. The extent to which this potential actually plays out however, is far from clear, and the recent Hong Kong Ministerial, which barely avoided another collapse, suggests that even incremental progress towards change and a new round of any kind at this point is likely to be a serious challenge. Negotiations on a number of contentious North/South remain unresolved and face a difficult to meet deadline with the expiration of U.S. fast track authority at the end of 2006. In this paper I categorize process and policy outcomes according to exclusive/inclusive dimensions, and I reflect on the potential for transformative change in politics, alignments and outcomes in the trade regime, something of a "New Deal" in global politics, with a broader more inclusive process and institutional and substantive measures of benefit to previously marginal actors.

THE NEW DEAL AND INTERNATIONAL POLITICS

The New Deal, to many observers, represents a political era of greater political inclusiveness (with previously marginalized groups such as labor and immigrant groups getting a seat at the decisionmaking table), moderate realignment of political actors (as international oriented business groups focused on freer trade split apart from national,

protectionist business sectors, and African Americans broke away from their post-civil war Republican allegiances), and relatively mild economic reform. This took place amid crisis of the great depression, was assisted by the country's political leadership, and was fostered by as sense of common fate and identity, and provided the basis for a moderate political and programmatic coalition that wielded some degree of power in the U.S. for over thirty years.

In using this analogy I do not mean to imprint U.S. politics to a global level of analysis, nor suggest U.S. exceptionalism. Other domestically based paradigms from other areas will undoubtedly prove similarly useful to the analysis of international politics. I do suggest that while concepts such as anarchy, that have been used to distinguish the politics of international and domestic arenas have a continuing degree of relevance these distinctions may not necessarily be insurmountable, and that to the extent that International Organizations and regimes influence policies of states actors and public beliefs, they begin to bridge the chasm of anarchy that has often been used to distinguish IR from political science, they may become, in fact, increasingly relevant. Subsequently, such connections and parallels may be useful

The economic crisis of the Great Depression was a key factor in the New Deal reform coalition and program, and in contemporary global politics neither economy nor environment are generally recognized as being in crisis stage. Leadership, and identity, at the global scale, two other key factors in the New Deal do seem to be emerging among LDCs, although they are at points where their success in providing an effective and persistent political base for effective regime action may be considered a latent but still uncertain potential. In this context, the issues I raise include: the extent to which concepts such as realignment and inclusiveness may be relevant to understanding trends in global politics, and their potential

ramifications for longer term policy directions particularly in relation to development goals adopted at Doha and agriculture issues of concern to LDCs (relative to progress on the NAMA and Singapore issues sought by powerful developed actors including the US and EU). In doing this I will proceed first with a theoretical framework, then with some background on this area of global rulemaking, focusing particularly on the growing assertion of power on the part of LDCs and the emergence of new blocs from their ranks, and finally examine some potential ramifications and outcomes.

THEORETICAL FRAMEWORK:

Perspectives of regime behavior and persistence broadly fall into two categories: those that emphasize the role of hegemonic power and resources as critical to the persistence and effectiveness of a regime; and those that emphasize the diffusion of rules and norms across increasing numbers of actors, with perceptual and ultimately behavioral ramifications.

Hegemonic systems are those in which a regime dominated by a single, or a few powerful collaborating actors, and imposed by either co-opting or coercing less powerful “peripheral” actors. Hegemons benefit from their positions but also assume some collective action costs (Krasner 1976; Kindleberger 1973). Regimes and rulemaking based on the spread of norms are driven by the perceived legitimacy of their goals and means, and at times evidence a ground up dynamic often in a way that leads to changes of preferences of major actors by way of persuasion and argumentative logic (Klotz 1995; Florini 1996; Risse 2000).

Contemporary global trade and environment institutions display aspects of both paradigms to greater and lesser extents, making it possible to conceptualize something of a continuum between these ideal categories, along lines suggested by Risse. In extending critical theory to regime studies Risse suggests that international institutions can be

categorized according to the degree to which instrumental vs. argumentative logic predominate, in a manner which might be expressed as exclusivity v. inclusivity¹. This would reflect the degree to which opportunity is available to all interested and affected actors to substantively participate in discourse as equals free of coercion based on wealth or power, in a manner characterized by transparent procedures and open access to information.

The trade regime centered on the WTO has generally been viewed as hegemonic and hierarchically organized, and inherited from its predecessor (the GATT) a reputation as a “rich man’s club” referred to even by past and present Director Generals (Yao 2001; Lamy 2003). Its perceived shortcomings in these areas have often been a source of complaint by a number of less developed states, their advocates, and various other civil society actors (Sharma 2003; Esty 2002 and 1998; ActionAid International 2003). Inevitably, while hegemonic domination and/or management has been seen as useful for regime and persistence, it is also somewhat problematic from a critical perspective, insofar as it undermines democratic process and institutional legitimacy (Risse; Albin 2003; Raines 2003). To the degree that an actor or actors dominate others and coerce those less powerful to accept preferences through instrumental (as opposed to argumentative) means, the potential of a deliberative democracy is reduced. Environmental regimes, by contrast, have generally been noted for greater inclusion of peripheral actors such as NGOs, and smaller and less powerful states particularly LDCs, in decision making (Rosendal 2001; Von Moltke 1997).

¹ Risse’s conceptualization of a logic of “arguing” and “truth seeking” derives largely from the notion of an “ideal speech situation” (ISS), characterized by the opportunity for all interested and affected actors to substantively participate in discourse as equals by processes of democratic consensus and argumentative rationality. It presumes actors with shared goals of truth and reasoned consensus, grounded in intersubjective values and a common “lifeworld,” and a willingness to subject their preferences, interests and identities to interrogation and challenges, and thus to change. ISS interaction processes are free of coercive power and purely instrumental rationality, and based on claims validation. They stand at the opposite pole, in logic and process, to the notion of egoism and instrumentalism embedded in “strategic action” and rationalist thought.

Process and outcomes are often more transparent and open to the influence of a broader cross-section of state actors, NGOs and epistemic communities. The Biosafety and Kyoto Protocols, in fact, present the possibility of policy taken in contravention of the most powerful international actor.

If we envision regimes in terms of process and outcomes, therefore, we might map out distinctions in terms of elite/exclusive and egalitarian/inclusive dimensions. Process dominated by the most powerful is exclusive, and more open and broadly democratic arenas are inclusive. These are each of course ideal categories but they can be utilized to an extent to reflect fundamental differences. Policy outcomes in many regimes can often similarly be distinguished between those that enhance the interests of the “elite” powerful members, and those that provide a more equitable distribution of benefits.

Figure 1. Regime Types: Process and Policy

Process

		Exclu: ive	Inclu: sive
Policy	Elitis	Imposed (Imperial)	Cooption
Outcomes	Egal arian	Hegemonic	Reform

In the above chart “imposed” regimes are those dominated by elites in which decisions closely reflect elite interests and preferences, while “hegemonic” is closer to what might be termed benevolent or enlightened elite rule, policymaking by elites that provides for somewhat broader distribution of benefits. In terms of egalitarian outcomes I refer to modest movement towards actions beneficial to marginal actors (in the case of the WTO - a development round, agricultural issues), as opposed to more radical actions (fair trade, terms of trade issues) that probably are outside the current realm of possibilities. The “reform” category might be termed a “New Deal” route of moderate reform, realignment and inclusion, while cooption refers to opening up process to new players but with marginal and very selective distributive impacts for most peripheral actors. Such categorization would be useful in terms of regime change and comparison rather than in any absolute sense.

For trade and environmental institutions there has been a trend towards somewhat greater inclusion of peripheral actors in recent years. The trend has been more noted in the trade regime because and steps have been taken to deal with issues related to the green room process and the exercise of chair power discussed further on. Nevertheless, by most measures, the trade regime lags behind the environmental regimes in inclusion, transparency, and democratic procedure et al, not the least because of its rather low relative starting point. In the following section I focus on the impact of less powerful players in the trade regime and the most likely the inclusion of new issues onto the agenda, as portents of regime reform.

THE TRADE REGIME:

The WTO, at the center of the trade regime, inherited and subsequently earned a reputation for being relatively hierarchical, exclusive, and non-transparent, with institutional process often dominated, given sufficient agreement, by the quad powers (the US, EU, Japan,

and Canada) and especially by the US and the EU. Beginning with GATT in the 1940s, through the Uruguay round which led to the creation of the WTO in 1995, and pretty much until the Seattle breakdown in 1999, the trade regime fairly well fit within a hegemonic stability paradigm in which a dominant power or set of collaborating powers, largely wield power and set the agenda. The regime's "democracy deficit" - its informal process, internal and external transparency problems, the Green Room, and undue exercise of chair influence, has consistently been the subject of criticism from various quarters (Ling, Saladin and Van Dyke, Sharma, Steinberg, Action Aid).

Some degree of imbalance is of course inevitable in an institution composed of over 140 members with vastly disparate economic, financial, information and personnel resources. The Green Room has been the WTO's method of narrowing down the number of participants in preliminary bargaining in order to facilitate agreement, but the least powerful actors with the smallest delegations inevitably bear the consequences of a process in which concurrent meetings are often held, and parties not present at a first meeting receive no notice on follow ups. Similarly, another means of facilitating agreement, the use of chairperson's summaries of proceedings as bases for further negotiation, has also generated consistent controversy because of incidents in which LDC views were ignored (Sharma, Action Aid).

The breakdown at Seattle in 1999 might be seen as the start of a new era for the regime in a number of respects. The street demonstrations, civil society angst, and increased notoriety and publicity provide the image most commonly associated with Seattle. In terms of institutional political dynamics, however, the assertion of power by less powerful LDCs was probably the key development - the actual failure to produce a Ministerial declaration was ultimately a direct result of the refusal of the LDCs associated with the African,

Caribbean, Pacific (ACP) bloc to sign on, a largely unprecedented revolt reflecting their dissatisfaction with green room procedures and the perceived heavy handed and discriminatory behavior of Ministerial officials (including the chair, director general and staff). It was in many ways a revolt against a process that produced outcomes generally considered more in accord with the views of the WTO hierarchy and the quad, than with those of the less powerful majority of states.

RECENT MINISTERIALS:

Since Seattle there have been three Ministerial meetings in addition to pre-Ministerial talks and Geneva based bargaining. The 2001 Doha meeting took place, not coincidentally according to some, in a setting with rigid, easily enforced visitation regulations that could be used to minimize civil society participation and street demonstrations. It was primarily notable, however, for the inclusion of development as part of the trade regime's mission, in addition to its traditional objective of trade liberalization.

This concession to LDCs has been limited in effect, however, because its definition and implementation were left ambiguous, and some of the policies, such as Non-Agricultural Market Access (NAMA), have been seen as counterproductive to developing states. Nevertheless, a course of action involving capacity building and process changes to increase regime inclusivity, continued at a slow but consistent pace. Capacity building provided training in the rules, regulations and objectives associated with trade related negotiation, and easier access to information (often through the internet). Modest reform of some of the more egregious green room processes and chair powers was also affected. In addition, actions to increase NGO participation and external transparency also continued, somewhat unevenly,

and at times hampered by opposition from LDCs concerned about their potential to increase the already overwhelming institutional power asymmetries they saw favoring DC interests.

Like Seattle, Cancun ended in failure and talks collapsed without an agreement, although in this case the impact of street demonstrators and civil society sectors was somewhat less dramatic, and the assertion of power by LDCs, particularly a coalition of major trading LDCs and associated blocs, was much more visible. The G20², most powerful of the LDC blocs, was led by Brazil and India and encompassed many leading LDC traders with quite divergent goals. Export oriented states like Brazil, Chile, and the Philippines were relatively comfortable with continued liberalization, even in agriculture products, and counted on their competitiveness to garner growing shares of a global market. India, Indonesia and China, by contrast, supported more protection of local agricultural sectors, concerned about their smallholder dominated farm sectors being devastated by DC agribusiness based inroads. India, Indonesia and China were also members of the G33³ (also known as the Alliance on Special Products and Special Safeguard Mechanism (SP/SSM)), which sought to strengthen mechanisms for the protection of special (agricultural) products. The G90 consisted of the least developed states, many of which (particularly those in Africa and the Caribbean) experienced difficult economic conditions in recent years that are sometimes construed as consequences of liberalization and integration into the trade regime. They have often felt disadvantaged in regime negotiations because small delegations, concurrently scheduled meetings, and green room procedures made their full participation

² Composed of Argentina, Brazil, Chile, China, Cuba, Egypt, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Philippines, South Africa, Thailand, Tanzania, Venezuela and Zimbabwe

³ Composed of Antigua and Barbuda, Barbados, Belize, Benin, Botswana, China, Congo, Cote d'Ivoire, Cuba, Dominican Republic, Grenada, Guyana, Haiti, Honduras, India, Indonesia, Jamaica, Kenya, Korea, Mauritius, Madagascar, Mongolia, Mozambique, Nicaragua, Nigeria, Pakistan, Panama, Peru, Philippines, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Senegal, Sri Lanka, Suriname, Tanzania, Trinidad and Tobago, Turkey,

unfeasible. Due to relatively small, poor and vulnerable economies, they were also often subject to pressure from more powerful actors.

While green room process evidenced modest improvement, serious controversy emerged again over chair summaries. The “Derbez text” which ignored LDC positions on NAMA and tariffs unleashed a torrent of opposition from G90 states (ActionAid International) and various NGOs pushed for a “WTO Democracy Challenge” which summarized a number of criticisms and called for green room processes to be stopped, negotiation texts to be emanate from members rather than chairpersons, greater transparency in the choice of chairpersons, and neutrality on the part of the WTO secretariat in ministerial proceedings (World Development Movement 2003).

During the talks these groups, despite many differences, consulted and generally worked together on that key substantive fault line of WTO North/South negotiations, the South’s concern about developed country agricultural subsidies⁴ and tariffs that disadvantaged their products. Perceived process inequities strengthened their opposition to the North’s agenda, which primarily focused on NAMA, greater access in the areas of (non-textile) manufactures, and the Singapore issues of services, government procurements, intellectual property and investment, about which the South has traditionally been reticent. The LDC coalition ultimately held, with the G20 and the G90 standing together (in what was to become known as the G110) focusing on their shared opposition to developed states’ agricultural policies and resistance to US and EU pressures on NAMA and Singapore issues. The talks ultimately collapsed after failure to bridge the North - South gap.

Uganda, Venezuela, Zambia, and Zimbabwe

⁴ Particularly the EU’s agricultural export subsidies under the Common Agricultural Program, and the U.S. domestic agricultural support programs, including the countercyclical payments made when commodity prices decrease.

The 2005 Hong Kong Ministerial, subsequently, took place amid concerns on all sides about the continuing WTO deadlock, which preliminary meetings did little to dispel. The agriculture vs. NAMA battle again emerged to divide North and South in a fairly predictable manner, but ultimately all sides backed away from another, potentially fatal, institutional breakdown. Among the main points of the agreement that was finally worked out were that farm export subsidies would be progressively be phased out by 2013, developed countries would phase out export subsidies for cotton - although no agreement on a date for reducing US domestic subsidies, and the poorest countries would get quota-free and duty-free access to global markets for 97% of their goods. No agreement was reached on import tariffs. The agreement was generally not considered to be especially favorable to LDCs because while the subsidy phase outs had previously been agreed upon, their implementation was scheduled at a slower rate than expected.

The result displayed moderated expectations, with an agreement that essentially put off a final battle on the parameters of a new round leading to some tough deadlines to meet for this year to resolve differences. The agreement probably occurred as a result of all sides seeing the potential for the breakup of the regime if it were to undergo another failure, something they all sought to avoid. Despite the general lack of success in achieving their agenda, this outcome might be seen as modest political accomplishment for LDCs in one sense, it presented a significant contrast to the heady EU and US calls for a new round focusing on broader extension of liberal trade to NAMA that echoed consistently in the days before Seattle. It was also confirmation, to an extent, of the LDC veto power when the different groups worked together. The key roles of Brazil and India led some observers to

point to them as part of “new quad,” replacing Japan and Canada (Kwa and Chomthongd, 2005).

TOWARDS A NEW DEAL?

What now remains to be seen in the final discussions is the extent to which development rhetoric of Doha becomes realized. This may, to an extent, be gauged by the relative degree to which LDC oriented agriculture concerns are successfully accommodated this year in any final agreement. This substantive aspect, together with the extent to which the institutional dynamics lead to a greater role for new actors in decisionmaking, would be key to what I refer to as a New Deal in the trade regime, one in which greater representation and response is given to the needs and goals of less powerful and affluent states and people by providing them with a seat at the decisionmaking table, and moderate economic reform.

Some factors that might encourage such a course include movement towards greater institutional transparency and capacity building such as have effectively alleviated some of the more glaring policy and process inequities. The green room has been revised significantly and chair powers have been somewhat reigned in. In addition, as a result of recognition of shared interests and goals, LDCs have acquired and exercised something of an institutional veto which effectively increases their bargaining power. Despite these factors, however, most smaller less developed states inevitably remain at a disadvantage in trade regime political and economic bargaining because of their smaller institutional delegations, skill pools and economic markets.

There are two aspects in which a “realignment” might play out in terms of substantive policy on LDC issues. One potential is emerging in the relationship between NGOs and LDCs. A degree of contention between these two sets of less powerful actors arose early on

in the course of various environmental, labor and external transparency issues, but that seems to be ameliorating. Growing accord and even cooperation seems evident, particularly between environmentalists and LDCs on environmental issues related to trade in GMOs, further rounds, NAMA and the extension of regime scope to services and government procurement. The ill fated Multilateral Agreement on Investments (MAI), revealed their common ground in opposing blatantly corporate oriented liberalization policies of developed states. NGOs have certain areas of expertise which have been and will be of use to LDCs in institutional bargaining in certain legal, technical and issue areas. And after Cancun “both WTO and British government officials and ministers claimed that NGOs had to some extent hoodwinked the developing countries into opposing the Singapore Issues” (Green 2003). The second aspect is the rise of Brazil and India, and the role they assume as potential members of a redefined Quad. They will ultimately need to choose between working together as leaders of LDCs, or else being coopted by the US and EU in exchange for privileged status. Their choice will inevitably weigh heavily on the direction taken. In either case, the trend seems to be towards a somewhat less clubby trade regime and a somewhat greater role for the global south and civil society, and some degree of process transformation.

Should India, Brazil and China take advantage of leadership roles in the global political arena at the cost of their alliances with less powerful LDCs, they effectively weaken the current coalition in a way that would probably lead to a reinforcement of existing patterns, with relatively minor changes that provide benefits for the key LDC actors while largely disenfranchising the less powerful. The likelihood of this course should not be underestimated, but at this point it seems that Brazil in particular recognizes that the impact of the LDC institutional “veto” is amplified when exercised in conjunction with the less

powerful LDCs. Brazil's use of the WTO dispute resolution mechanism on the issue of U.S. cotton subsidies, an issue that especially benefits certain African states, along with debt cancellation moves and cancellation of debt of some African states, suggests that for reasons of politics and prestige, value is seen in a policy of alignment with LDCs.

That path would seem to suggest the possibility of a "New Deal" reform agenda, expressed for example, in a WTO genuinely oriented towards substantive progress on development issues, and a more inclusive process. It would be based on the veto power of a coalition of major and minor state members, with support from Northern development and environmental NGOs. Institutional history along with the current moderation of expectations evident in Hong Kong suggests that the transition of the concept of a "development round" from rhetoric to a legitimized reality is probably not in the cards, the U.S. and the EU remain the predominant regime powers and despite the rise of new actors and blocs, their approval is a requirement which becomes increasingly less likely in direct proportion to the degree they see potential gains diminish. Barring significant economic crisis, continued incrementalism thus would seem to be the most likely road, with some continued lurching from institutional crisis to crisis.

One other possibility does bear mention, however, an outcome that would gain probability in the event of continued institutional logjam or economic crisis. That would be the formal or informal dissolution of the trade regime and the WTO. Movement towards development related goals and a more inclusive process will have domestic political consequences in the US and EU, the powerhouses of global trade, and insofar as the regime's benefits appeared to diminish, their incentives to participate will similarly be reduced. This possibility was raised after the collapse of the Cancun Ministerial with the US and the EU

threatening to the focus on bilateral and regional agreements in place of the WTO (Knowlton). After the Hong Kong deal, Senate Finance Committee Chairman Charles Grassley, whose committee has jurisdiction over trade legislation, said in a statement "I seriously doubt that any agreement with this imbalance will be acceptable to the US Congress," (Schiffers). The Hong Kong negotiations suggest that most participants prefer to avoid a breakup of the regime. Nevertheless, a number of North/South issues related to NAMA, Singapore, and agriculture remain unresolved, with the agreement succeeding primarily in postponing these contentions for a later date.

Although it is not unusual in global negotiations for parties to either hold out until the last possible moment for an agreement, or to extend deadlines in order to prevent the regime dissolution, and a breakdown of the trade regime is probably not the most likely outcome, at this point institutional crisis is certainly not inconceivable. Skepticism as to the benefits of the liberal trade regime has grown in recent years among many groups in both developed and less developed states. The emergence of the left in Latin America and the paucity of economic success in Africa are integral parts of the increasing LDC assertions of power and independence. The retreat to regional trade groups has been a consistent concern although the currently unsuccessful status of the FTAA suggests that such regional groups may also be at risk in any serious economic or institutional crisis. Developed countries may also continue to toy with the idea of focusing on deals among themselves, in the pattern of Multilateral Agreement on Investments, but that attempt is not likely to inspire confidence. Economic crisis, a key factor in cementing the New Deal coalition, could impact the policies of the U.S. or EU leading either retreat or the adoption of reform oriented programs.

Global economic crisis, in fact, should it not lead to the collapse of the trade regime, could increase the likelihood of reform, depending on developed states' domestic political responses. Incrementalism tends to become less acceptable in times of crisis. If crisis is not a factor and the talks that have been set for this year lead to further agreement, at this point it seems likely that the any progress will be incremental, without major structural or policy change. Issues related to institutional reform, such as the "WTO Democracy Challenge" may show some movement.. But substantive (as opposed to rhetorical) movement on regime expansion or development seems unlikely. A holding action seems at this point more likely than a New Deal, but it may be one that provides greater room for a modest institutional process reform.

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