

ROLE OF WTO IN PROMOTING INTERNATIONAL TRADE AFTER MARRAKESH AGREEMENT

¹H.RADHA KRISHNAN

¹ BA. LLB(HONS), Saveetha School of Law, Saveetha University,
Saveetha Institute of Medical and Technical Sciences, Chennai-77,Tamilnadu,India.

²MISS.V.NIVETHA

²Assistant professor of law, Saveetha School of Law, Saveetha University,
Saveetha Institute of Medical and Technical Sciences, Chennai-77,Tamilnadu,India.

¹sairocky112@gmail.com, ²arulkannapan.ssl@saveetha.com

ABSTRACT:

World Trade organisation has a crucial role in international trade. World Trade Organization(WTO) facilitates implements, administration and smooth operation of trade agreements between the countries. It provides a forum for trade negotiations between its member countries. World trade organisation is the only international governing body that World Trade Organization replaces general agreement on tariffs and trade(GATT) which has created in the year 1948. The role of world trade organisation is to provide fair platform to its member country to help in service like exports ,imports and conduct their business in a peaceful manner. The advantages to the country being members in world trade organisation(WTO) is that they lower trade related barriers among them. In contrary to this country which are not part of World trade organisation(WTO) must negotiate trade related agreements independently with their trading partners Settlements of dispute between the member countries through the established of rules and regulations. Overall world trade organisation(WTO)was set up to play a very important role in the world economics though settling trade related disputes through rules and regulations and consensus based on agreements mechanism that would prevent trade related wars between powerful countries. Though resolving trade related disputed World Trade organisation(WTO) has got the potential to maintain world peace and bilateral relation between its member countries through following negotiations, consultation and mediations.

Keywords:

Trade, imports, exports, tariffs, negotiation, global exchange, globalisation, agreements, administration, finance

INTRODUCTION:

Since the nineties of the most recent century and with the finish of the cool war, globalisation is the new catchphrase that has come to direct the world. On the off chance that we see to the walk of advancement of from mid 1700's till date, globalisation has nearly turned into the piece of universal exchange. The outcome is the development of the specialisation in global exchange term of trade of the merchandise, administrations and assets.

With the progression of time, globalisation has turned into a profoundly established marvel. The outcome is, an item that has been produced in the outmost piece of the globe could undoubtedly discover its way into the market at the other corner of the globe. As this pattern turn out to be increasingly entrenched, savvy people gave it a hypothetical support for the harmonisation of such pattern, and that sponsorship was World Trade Organization (WTO). WTO is a standout amongst the most effective universal bodies.¹ Its fundamental point is to advance business interests, and any obstructions in the way of improvement and development of worldwide business ought to be dealt with auxiliary. The main objective of the research is to study about the involvement of world trade organisation(wto) in international trade. The aim of the research is

- To Look after the administration of agreement signed Uruguay round
- To keep check on the implementation of tariff cuts and reduction of non tariff measures
- To lay down methods for arriving at a harmonious solutions in care of trade conflict

HYPOTHESIS:

Wto does not attain the level of globalization

RESEARCH QUESTION:

Whether wto are qualitative in international organizational trade?

RESEARCH METHODOLOGY:

The present research is descriptive, conclusive. The study was concluded on secondary source of data books, articles, journals, e-sources .

REVIEW OF LITERATURE

Substantive issues and the broader implications of a potential trade round and there is clear case for free trade emergence from this analysis.(the wto millennium round) (klous Gunter Deutsch). The WTO is increasing in belief that this will improve global prosperity as part of this efforts members nation reach preliminary agreement in 2005(wto and developing countries)(bee chek kvo)

CHAPTERISATION:

This research paper divided into two chapters with an introduction and conclusion chapter 1 explain about the what is international trade and it's concept and chapter 2 explain the role of world trade organization in promoting international trade.

INTERNATIONAL TRADE-CONCEPT,ORIGIN AND HISTORY:**CONCEPT:-**

As per the Encyclopaedia universal exchange implies financial exchanges that are made between nations. Among the things usually exchanged are shopper products, capital merchandise and crude materials and nourishment. Different exchanges include administrations, for example, travel administrations and instalments for outside licenses. Global exchange exchanges are encouraged by universal money related instalments, in which the private keeping money framework and the national banks of the exchanging countries assume a vital part.

Global exchange is the trading of capital merchandise and ventures crosswise over universal outskirts or domains. In many nations, such exchange speaks to a huge offer of total national output (GDP). While global exchange has been available all through quite a bit of history, its monetary, social and political significance has been on the ascent in late hundreds of years.

Universal exchange is, on a basic level, not the same as local exchange as the inspiration and the conduct of gatherings engaged with an exchange don't change essentially paying little respect to whether exchange is over a fringe or not. The fundamental distinction is that universal exchange is commonly more exorbitant than residential exchange. The reason is

that a fringe ordinarily forces extra costs, for example, levies, time costs because of outskirts postponements and expenses related with nation contrasts, for example, dialect, the legitimate framework or culture.

Another contrast amongst local and worldwide exchange is that variables of creation, for example, capital and work are normally more portable inside a nation than crosswise over nations. Accordingly worldwide exchange is for the most part confined to exchange merchandise and enterprises, and just to a lesser degree to exchange capital, work or different variables of creation. Exchange merchandise and ventures can fill in as a substitute for exchange variables of generation.

Universal exchange is additionally a branch of financial aspects, which, together with global fund, shapes the bigger branch of worldwide financial matters. Exchanging is an esteem included capacity of the monetary procedure of an item discovering its market, where particular dangers are to be borne by the broker, influencing the benefits being exchanged which will be alleviated by performing particular capacities.

ORIGIN AND HISTORY:

The deal of products or administrations among various people groups is a well established practice, most likely as old as mankind's history. Global exchange, in any case, alludes particularly to a trade between individuals from various countries, and records and clarifications of such exchange start (in spite of fragmentary prior talk) just with the ascent of the cutting edge country state at the end of the European Middle Ages. As political masterminds and rationalists started to inspect the nature and capacity of the country, exchange with different nations turned into a specific theme of their request. It is, appropriately, nothing unexpected to discover one of the soonest endeavours to depict the capacity of worldwide exchange inside that exceedingly nationalistic collection of thought now known as mercantilism.

Mercantilism depended on the conviction that national interests are definitely in strife—that one country can build its exchange just to the detriment of different countries. In this way, governments were directed to force cost and wage controls, encourage national ventures, advance fares of completed merchandise and imports of crude materials, while in the meantime restricting the fares of crude materials and the imports of completed products. The state tried to furnish its natives with a syndication of the assets and exchange outlets of its settlements. An average delineation of the mercantilist soul is the English Navigation Act of 1651 which held for the nation of origin the privilege to exchange with its provinces and

disallowed the import of merchandise of non-European beginning unless transported in ships flying the English banner. This law waited until 1849. A comparative approach was followed in France.

A solid response against mercantilist states of mind started to come to fruition toward the centre of the eighteenth century. In France, the financial analysts known as Physiocrats requested freedom of creation and exchange. In England, market analyst Adam Smith exhibited in his book *The Wealth of Nations* (1776) the benefits of evacuating exchange limitations. Financial specialists and businesspeople voiced their restriction to exorbitantly high and regularly restrictive traditions obligations and encouraged the transaction of exchange concurrences with remote forces. This adjustment in states of mind prompted the marking of various assertions epitomising the new liberal thoughts regarding exchange, among them the Anglo-French Treaty of 1786, which finished what had been a financial war between the two nations.

A triumph for liberal thoughts was the Anglo-French exchange understanding of 1860, which gave that French defensive obligations were to be lessened to a most extreme of 25% inside five years, with free passage of every single French item aside from wines into Britain. This assertion was trailed by other European exchange agreements.

A response for assurance spread all through the Western world in the last piece of the nineteenth century. Germany embraced a methodically protectionist arrangement and was soon trailed by most different countries. Soon after 1860, amid the Civil War, the United States raised its obligations forcefully; the McKinley Tariff Act of 1890 was ultra-protectionist. The United Kingdom was the main nation to stay loyal to the standards of organised commerce.

World War I fashioned devastation on these precise exchanging conditions. Before the finish of the dangers, world exchange had been upset to a degree that made recuperation extremely troublesome. The initial five years of the post-war period were set apart by the disassembling of wartime controls. A financial downturn in 1920, trailed by the business focal points that collected to nations whose monetary forms had deteriorated (as had Germany's), incited numerous nations to force new exchange confinements. The subsequent protectionist tide overwhelmed the world economy, not on the grounds that approach producers deliberately clung to a particular hypothesis but since of patriot belief systems and the weight of monetary conditions. While trying to end the ceaseless raising of traditions hindrances, the League of Nations composed the main World Economic Conference in May 1927. Twenty-nine states, including the fundamental modern nations, subscribed to a universal tradition that was the

most minutely definite and adjusted multilateral exchange assent-ion affirmed to date. It was a forerunner of the courses of action made under the General Agreement on Tariffs and Trade (GATT) of 1947.

Be that as it may, the 1927 understanding remained for all intents and purposes without impact. Amid the Great Depression of the 1930s, joblessness in real nations achieved remarkable levels and incited a pestilence of protectionist measures. Nations endeavoured to shore up their adjust of instalments by raising their traditions obligations and presenting a scope of import quantities or even import disallowances, joined by trade controls.

From 1933 forward, the suggestions of all the post-war financial gatherings in view of the key hypothesis of monetary radicalism were disregarded. The arranging of remote exchange came to be viewed as an ordinary capacity of the state. Mercantilist strategies overwhelmed the world scene until after World War II, when exchange understandings and supranational associations turned into the central methods for overseeing and advancing universal exchange.

ROLE AND FUNCTIONS OF WORLD TRADE ORGANISATION IN INTERNATIONAL TRADE:

The protectionism which emerged in international trade after the Second World War gave way to gradual liberalisation, comprising both unilateral liberalisation and rules-based multilateral liberalisation localisation is the result of free or less restricted trading in goods, services, technology, and capital among various countries. However there are various confronting issues that restrict the growth of international trade, they are trade barriers, financial assistance, piracy and more specifically violation of intellectual property rights. This happens because of different trading rules, absence of reciprocity, etc. It is here where WTO provides a global platform to the signatory countries to meet and discuss their issues and to come down with generally accepted solutions for smoother transition to greater free trade regimes.⁷ Thus WTO actively contributes for the development of bilateral agreements on free trade in goods, services and technology.

WTO is the only international organization dealing with the global rules of trade between nations. The World Trade Organisation came into existence with effect from 1-1- 1995.⁸ The WTO replaced General Agreement on Tariffs and Trade (GATT). Its main function is:

1. To look after the administration of agreements signed at the Uruguay Round.

2. To keep checks on the implementation of tariff cuts and reduction of non-tariff measures.
3. To examine foreign trade policies of the member nations, and to see that such policies are in tune with WTO's guidelines
4. To lay down methods for arriving at a harmonious solution in case of trade conflicts.
5. To provide necessary consultancy to the member nations on the development in the world economy
6. To provide a global platform where member nations continuously negotiate the exchange of trade concessions.

The resultant outcome is the assurance to the consumers and producers who know that they can enjoy greater choice of products and services. At the heart of the system are the Globalisation and Role of WTO in Promoting Free International Trade

WTO's agreements⁹, which are ground rules for international commerce and are signed by the trading nations.¹⁰ Following are the main principles of the WTO: ¹¹

Non discrimination: It implies both foreign and national companies are treated the same. Thus all nations should be treated equally in terms of trade. Reciprocity: Nations should try to provide similar concessions for each other.

Transparency: Negotiations must be fair and open with rules equal for all. Special and differential treatment: It provides that developing countries may require 'positive discrimination' because of historic unequal trade.

ROLE OF WTO IN PROTECTING INTERNATIONAL TRADE:

The protectionism which rose in worldwide exchange after the Second World War offered approach to steady advancement, containing both one-sided progression and standards based multilateral advancement. Globalisation is the aftereffect of free or less limited exchanging merchandise, administrations, innovation, and capital among different nations. However there are different standing up to issues that limit the development of universal exchange, they are exchange obstructions, monetary help, robbery and all the more particularly infringement of protected innovation rights. This happens due to various

exchanging rules, nonappearance of correspondence, and so on. It is here where WTO gives a worldwide stage to the signatory nations to meet and examine their issues and to catch by and large acknowledged answers for smoother change to more prominent unhindered commerce administrations. In this manner WTO effectively contributes for the improvement of respective concessions to facilitated commerce in products, administrations and innovation.

WTO is the main universal association managing the worldwide tenets of exchange between countries. The World Trade Organization appeared with impact from 1-1-1995. The WTO supplanted General Agreement on Tariffs and Trade (GATT).

Its primary capacities are:

- To take care of the organization of assertions marked at the Uruguay Round.
- To keep minds the execution of levy cuts and decrease of non-duty measures.
- To analyse remote exchange approaches of the part countries, and to see that such strategies are tuned in to WTO's rules.
- To set down techniques for touching base at a concordant arrangement if there should arise an occurrence of exchange clashes.
- To give vital consultancy to the part countries on the improvement in the World economy.
- To give a worldwide stage where part countries persistently arrange the trading of exchange concessions.

The resultant result is the confirmation to the buyers and makers who realise that they can appreciate more noteworthy selection of items and administrations. At the core of the framework are the WTO's understandings, which are standard procedures for universal business and are marked by the exchanging countries.

Following are the primary standards of the WTO:

- Non-separation: It infers both remote and national organisations are dealt with the same.

Consequently all countries ought to be dealt with similarly regarding exchange.

Correspondence: Nations should endeavor to give comparable concessions to each other.

- Transparency: Negotiations must be reasonable and open with rules meet for all.
- Special and differential treatment: It gives that creating nations may require 'positive separation' on account of noteworthy unequal exchange.

CONCLUSION:

On the off chance that globalization lead for and guarantees 'free and reasonable' exchange among nations, it is well and great, however the accentuation so far has been on 'free' as opposed to 'reasonable' exchange. It is in this setting the rich and modernly propelled nations have a part to play. While requiring creating nations to disassemble hindrances and join the standard of universal exchange, they have been raising huge duty and non-tax boundaries on exchange from creating nations. Along these lines, it is vital that if the rich nations need an exchanging framework that is genuinely reasonable, they ought to individually lift the exchange obstructions and appropriations that keep the results of creating nations from achieving their business sectors.

It must be valued that there are some dim sides of WTO. Many immature nations have criticised the working of WTO as a pointless and costly publicity for global exchange. Its working has been denounced on the ground that the WTO is a methods for created countries to take part in exchange wars and to have constrained section in immature nations. Regardless of whether the WTO is in any capacity monetarily advantageous to the immature districts has dependably been a hostile issue, the reality remains that it is one association at the worldwide level that has given free or less limited exchanging products, administrations, innovation, and capital among different nations. There are two certainties that should stay: First, Governments, with or without national help will probably keep on supporting the WTO, and Secondly, to achieve globalisation time is required.

REFERENCE:

1. Bhumali Anil and Dutta Strait, (2006) Foreign Trade of India under WTO Regime.
2. Chadha G.K., (2003) WTO and Indian Economy.
3. Chand Ramesh, (2002) Trade Liberalisation, WTO and Indian Agriculture.
4. Chauhan Sandeep, (2002) GATT to WTO Gandhian Attentive to NIEO.

5. Chawla R.K, (2003), India and WTO.
6. Dasgupta Biplab, (2004) GATT, WTO and the World Trade System.
7. Gupta K.R, (1996) WTO Successor to GATT and India.
8. Krishna Rao Palle, (2005) WTO text & Cases.
9. Bagweli, K., Staiger, R. W. 1999. Domestic policies, national sovereignty and international economic institutions. NBER Working Paper 7293. Cambridge MA.
10. Bagweli, K., Staiger, R. W. 2001. The WTO as a mechanism for securing market access property rights: implications for global labor and environmental issues. *The Journal of Economic Perspectives* 15(3):69-88.
11. Bhagwati, J. 2001. After Seattle: free trade and WTO. *International Affairs* 77(1):15-29.
12. Babcock, B. A. 2001. Trade, wealth creation and American agriculture. Center for Agriculture and Rural Development. Vol 7; No. 4.
13. Charnovitz, S. 1994. Free trade, air trade, green trade: defogging the debate. *Cornell International Law Journal* 27(3) 459-525.
14. Charnovitz, S. 2001. Rethinking WTO sanctions. *The American Journal of International Law* 95(4):792-832.
15. Cycon, D. 1991. When Worlds collide: law, development and indigenous people. *The England Law Review* 25:761-794.
16. Devons, E. 1961. Understanding International Trade. *Economica, New Series* 28(112): 351-359.
17. Esty, D. C. 1994. Greening the GATT: Trade environment and the future. Washington DC Institute for International Economics.
18. Falkner, R. 2000. Regulating biotech trade: the Cartagena protocol on biosafety. *International Affairs (Royal Institute of International Affairs 1944-)* : Special Biodiversity Issue 76(2): 299- 313.
19. Fewsmith, F. 2001. The political and social implications of China's accession to WTO. *The China Quarterly* 167:573-591.
20. Gibb, R. 2003. Globalization and Africa's economic recovery: a case study of the European Union-South Africa post apartheid trading regime. *Journal of South African Studies* 29(4): 885- 901.
21. UNEP. 2000. Cartagena Protocol on biosafety to the convention on biological diversity. <http://www.biodiv.org/biosafe/biosafety-protocol.htm>

23. USADA . 2002. China Corn Exports: business as usual, despite WTO entry. Economic Research Service.FDS-1202-01, PP: 1-10.
24. Wise, A. T. 2004. The paradox of agricultural subsidies: measurement, issues, agricultural dumping and policy reform. Global Development and Environment Institute Working Paper No.04-02.
25. World Bank. 2004. Global Economic Prospects: Realizing the development promise of DOHA Agenda. Washington. World Bank.
26. Dr.Lakshmi T and Rajeshkumar S “In Vitro Evaluation of Anticariogenic Activity of Acacia Catechu against Selected Microbes”, International Research Journal of Multidisciplinary Science & Technology, Volume No. 3 , Issue No. 3, P.No 20-25, March 2018.
27. Trishala A , Lakshmi T and Rajeshkumar S,“ Physicochemical profile of Acacia catechu bark extract –An In vitro study”, International Research Journal of Multidisciplinary Science & Technology, Volume No. 3 , Issue No. 4, P.No 26-30, April 2018.

