The influence of the stalemate in the wto on the eu: case study examples

Parts of the World, European Union



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The Influence of the Stalemate in the W. T. O on the E. U.: Global Europe as New Trade Policy

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Introduction

As an introduction, it is important to note that the European Union is one of the largest regional groups in the world. The group is an economic group which has continued to establish and execute various polices which have had a substantial effect on the trading activities in the member countries.

Moreover, the group is also a political group. The recent stalemate in the world trade Union, WTO has had a lot of influence on the European Union. It has led to the establishment of the 'Global Europe' which is a new trade policy which aims at shifting the union focus from multilateral to bilateral trade (Ozer 2011, p. 497). However, this policy seems to be conducting the European Unions' value for multilateral trade. The following paper gives a

discussion of three major points covered in the article by Yonca Ozer titled '
The Influence of the Stalemate in the WTO on the EU: "Global Europe" as
New Trade Policy'. The paper then analyses one of the points in details.

Discussion

One of the points of discussion is on the global Europe policy. Taking as background review, it is important to note that the European Union uses multilateral, unilateral and bilateral/regional negotiations to govern trade activities in the region (Ozer 2011, p. 499). The global Europe policy is a trade regulation policy which was initiated by the European Union shortly after the collapse of the Doha Development Round. With the 'Global Europe policy', the E. U. sought to compliment the multilateral trade regulation which no longer provided an opportunity for growth with the bilateral trade regulation. The Global Europe was a communication by the EU which seeks to point out ways in which the region can improve its competiveness via trade (Ozer 2011, p. 499).

Another discussion point is the stalemate in the world trade organization WTO negotiations and new trade policy of the EU. On this discussion point, it is worth acknowledging that the EU has been one of the leading players in the WTO trade negotiations. From the article, one of the most notable aspects of the trade regulations is on the liberalization of non-agricultural in the multilateral trade. The trade reforms on agricultural products have also been subject to a lot of concern from the EU (Ozer 2011, p. 501). As a result of its intention of reviewing the tariffs and subsidy reductions, has led to a lot of friction between the developing countries and the European Union.

The last point of discussion on the implementation of the 'Global Europe', the new trade policy which was established by the European Union in a bid to compliment the multilateral trade regulations. The article notes that the EU started to look for potential FTA partners shortly after the communication of 'Global Europe' (Ozer 2011, p. 504). The aim of the policy is to establish bilateral trade agreements between the EU and other countries. Some of the countries and communities which the EU has already approached include ASEA, Andea community, Korea and India.

Analysis

The analysis section will analyze point number three; the implementation of the new trade policy by the EU. Basically, the implementation of the policy entails the establishment of bilateral trade relationships between the EU and potential trading partners. As per the provisions of the 'Global Europe' communication the first step of implementing the policy was the identification of potential trading partners. Korea, India, ASEN are some of the countries and groups which have been approached by the EU. The EU has also started negotiations with the GCC, the Andean Community and the GCC (Ozer 2011, p. 504).

The main aim of the implementation of the policy is to provide alternatives and compliments to multilateral agreements. Folloing the failure of the Doha Development round, the global player were left torn in between the upholding of multilateral agreements which were previously upheld by the WTO or to adopt bilateral agreements which tend to provide a good alternative to multilateral agreements. Moreover, the future developments of

the multilateral agreement were constrained owning to the fact that there was limited room for development. With the main aim of the EU being furthering their market access, the group saw it fit to consider appropriate bilateral agreements (Ozer 2011, p. 505).

With respect to the kind of bilateral agreements being considered by the EU, it is worth noting that the EU is targeting big markets or big regional and economic groups. By the establishment of a trading agreement between one regional trading body and the EU which is basically bilateral in nature, the EU stands to gain an increased access to the global markets. This ultimately gives some sort of a multilateral agreement, which coincides with the provisions of the WTO. Looking at the potential trading partners whom the EU has identified, for instance Mercosur which comprises of 4 countries, the ASEAN which comprises of 10countries, India and Korea, the intention of the EU to tap into big global markets comes out clearly (Ozer 2011, p. 504).

Conclusion

In conclusion, the paper has been able to identify and discuss three major points from the article. The points which were identified include the following; the first one is the global Europe, which is a policy which seeks to provide a compliment to the multilateral agreements which failed or lost future of development after the failure of the Doha Development Round. The other point is on the stalemate in the WTO on the EU's new trade policy. The third point which was discussed was on the implementation of the new trade policy. It has been seen that the implementation aims at establishing

bilateral agreements with potential trading partners. The paper also did an analysis of the implementation of the new trade policy.

References

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