



Trump threatens to withdraw U.S. from WTO

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U.S. President Donald Trump on Thursday threatened to pull his country out of the World Trade Organization (WTO), a move that could further undermine the global trading system and economic stability.

"If they don't shape up, I would withdraw from the WTO," Trump said during an interview with Bloomberg News at the Oval Office.

The comments came as Washington's trade disputes with other economies continue to put global economy at risk, as pundits urge them to be addressed via multilateralism, including the WTO.

Created in 1994, the WTO was a part of a U.S.-led effort by major economies to help settle trade disputes and bring stability to the world economy.

The head of the WTO called earlier this year for restraint and urgent dialogue within its system to stop trade frictions from damaging the world economy.

"Actions taken outside these collective processes greatly increase the risk of escalation in a confrontation that will have no winners, and which could quickly lead to a less stable trading system," WTO Director-General Roberto Azevedo said in March.

Trump has attacked the WTO, a cornerstone of the post-World War II multilateral trading system, for what he calls unfair treatment for the world's largest economy, while urging the Geneva-based body to "change their ways."

In the interview with Bloomberg News, Trump also claimed that Washington has rarely won at the WTO.

Countries that bring complaints to the WTO tend to prevail and defendants in trade disputes lose, Bloomberg News said.

According to the Cato Institute, a Washington policy group that favors more open international trade, the United States has won over 90 percent of the cases that it has initiated and has also brought more cases than any other WTO member.

Meanwhile, Washington has lost almost 90 percent of the cases brought against it at the WTO.

But top officials in the Trump administration haven't been as eager to pull out of the body. In July, Commerce Secretary Wilbur Ross told CNBC that talk to withdraw from the WTO was "a little premature."

