

POLITICO

International officials audition for top job at WTO

By: Lauren French – February 4, 2013

Global trade talks at the World Trade Organization may be going nowhere.

But if you want to serve atop the WTO, you'll still need to make the case for how free trade could end hunger and disease, lift families out of poverty or foster a new age of advancement in the developing world.

That's what nine candidates vying to be the WTO's next director general did during interviews with the 158-member organization last week.

"Development must improve the welfare of all people, not just particular sectors or industry groups. To some countries development means joining and moving up in the global value chain, and to others, stabilizing their financial systems," one of the candidates, Korea's minister of foreign affairs and trade, Taeho Bark, told the WTO's general council. "The WTO can contribute to achieving all of these concepts of development through greater trade opportunities, capacity building, and predictable rules."

The next WTO leader will oversee an organization that has been struggling for relevance since the Doha trade talks stalled in 2008 amid disputes between the United States and Europe and emerging powerhouses like China, Brazil and India. The Obama administration has largely shifted its focus from global talks to a regional Pacific Rim trade pact and a possible international services deal.

The WTO, which has long faced opposition from trade critics in the labor and environmental communities, serves as the international world's premier trade court, where countries can lodge complaints over trade agreement violations or unfair export controls.

That's also been a high priority for the Obama administration, particularly when it comes to China. In March, the United States, the European Union, Japan and Canada accused China of restricting exports of "rare earth" metals — key components in high-tech devices. The WTO is investigating the claims.

The WTO's defenders say it still plays a key role as an independent check on governments' authority to impose duties or tariffs on a political whim.

"The WTO has kept the worst instincts of U.S. policymakers at bay," says Dan Ikenson, the director of the Cato Institute's trade studies center. "It [also] monitors trade policy around the world. In that sense it helps other governments put peer pressure on governments that are going

awry in the system — governments that are subsidizing too much or imposing tariffs. It provides the empirical support.”

The general council will select a successor to outgoing director general Pascal Lamy by May 31. The Frenchman’s term expires in August.

If the WTO selects, as expected, one of the seven candidates from a developing nation, the director general would be only the second head in the trade organization’s nearly 20-year history to be from the developing world.

Costa Rica’s nominee, Anabel González, the country’s foreign trade minister, called on the body to move past the agriculture impasses that have halted the global trade talks.

“This remains critically important, not least in terms of institutional legitimacy. We are all heavily invested in Doha and have put great efforts into it,” González said in a statement submitted to the general council.

Despite the moribund state of the Doha talks, candidates said the WTO has a vital role to play, and must do a better job of selling globalization to developing countries.

“We have learned that trade policies need to be combined with complementary policies to ensure that the benefits of opening up are widely shared and that the adverse effects are anticipated,” Indonesian tourism minister Mari Pangestu said. “Of course we have not gotten it all right yet — it’s a process and development issues remain a central part of our policy objectives.”

Contenders also include: Ghanaian politician Alan John Kwadwo Kyerematen; New Zealand trade minister Tim Groser; Latin Mexican economist Herminio Blanco; Brazil’s ambassador to the WTO, Roberto Carvalho de Azevêdo; Jordan’s former minister of industry and trade, Ahmad Thougan Hindawi; and Amina Mohamed, the secretary-general and deputy executive director for the United Nations’ environment program.