

ist, »(...) das eigene Verhalten den gewonnenen Einsichten anzugeleichen, als Verbraucher einen maßvollen Lebensstil zu praktizieren oder als Produzent auch in sozialer und ökologischer Verantwortung zu investieren (...), bewirkt das nicht genug. Es bedarf auch institutioneller Leitplanken und systemischer Sperren. Deshalb sind die politischen Akteure wie kaum jemals zuvor aufgerufen, das Allgemeininteresse an Leben und Überleben gegen die Partikularinteressen an Komfort und Profit zur Geltung zu bringen« (S. 603).

Sicher ließe sich die Studie noch verbessern. So legt die Wendung von der »fossilen« oder »postfossilen Zivilisation« nahe, auch die sozialpsychologischen Bedingungen der heutigen wie der angestrebten Verhältnisse genauer zu beleuchten, was in der Studie nur sehr oberflächlich geschieht. Auch wird der Begriff des wirtschaftlichen Wachstums auf verschiedene, teils irritierende Weise gebraucht, etwa negativ konnotiert im Sinne eines bloßen Outputwachstums mit entsprechend steigendem Ressourcenverbrauch oder positiver im Sinne von wachsender Arbeits- und Ressourceneffizienz. Aber diese Defizite erscheinen gegenüber dem auch didaktisch hervorragend ausgearbeiteten Gesamtbild, das die Studie zeichnet, geradezu kleinlich. Wer an einer nachhaltigen Zukunftsgestaltung interessiert ist, ob privat, wissenschaftlich oder politisch, sollte diese Studie zur Pflichtlektüre nehmen.

*Michael Fischer,  
Friedrich-Ebert-Stiftung, Bonn*

## **WARWICK COMMISSION:**

### **The Multilateral Trade Regime: Which Way Forward?**

The Report of the First Warwick Commission

Coventry 2007

Warwick University: 92 p.

The global economic governance system is in serious disarray. Its main constituent organizations and institutions – namely the World Trade Organization (WTO), the International Monetary Fund (IMF), and the World Bank – are mired in a deep credibility and legitimacy crisis. They were unable to forecast adequately or respond robustly to, much less prevent the food, energy, financial and economic calamities that started unfolding in 2008. Their structures no longer reflect current geopolitical realities, giving rise to what is now widely referred to as a »global governance gap.« Wholesale recession and growing protectionism are endangering multilateralism as such. The palpable need for fundamental reforms has triggered an intensive debate on the future architecture of the global economic governance system.

The Report of the First Warwick Commission, entitled »The Multilateral Trade Regime: Which Way Forward?« is a timely and valuable contribution to

this ongoing discourse. It builds on older reform proposals, first and foremost the Sutherland Report (2004). Its main message is that the structure of the international trade governance system needs to be recalibrated to the new economic and political realities. It offers a set of 10 pragmatic recommendations on how to improve the WTO's rules, principles, and processes, based on a thorough and impartial analysis of the most pressing problems. Moreover, the Report's vivid style makes it an easily digestible read.

The Warwick Commission was chaired by former Canadian Minister for International Trade, the Honourable Pierre S. Pettigrew, and included trade economists and lawyers, political economists and trade negotiators, as well as senior private and civil society actors from both developed and developing countries, all of them renowned for their respective expertise. The main weakness of the Report, perhaps, is that the authors restricted themselves to devising recommendations that are »reasoned rather than ideological, and reformist rather than revolutionary« (p. 9). Thus, like most of their predecessors, they remained trapped in the – undoubtedly also important – procedural details instead of elaborating a more comprehensive, innovative, and far-sighted WTO reform agenda for the twenty-first century.

The Report begins by setting out five key challenges for the multilateral trading system in general and the WTO in particular, discusses the major reform areas in four chapters, and then draws a number of conclusions. The chapters are clearly structured, beginning with a nuanced presentation of the ongoing debate, followed by brief conclusions and concrete recommendations. This allows the reader to take an »à la carte« approach: While policy-makers might prefer to read only the recommendations, trade experts might also want to scrutinize the argumentation leading up to them. A short bibliographical note (Appendix I) provides academics and interested scholars with a commented list of background literature and useful suggestions for further reading.

The five key challenges are as follows: countering the growing skepticism in industrialized countries concerning further (multilateral) trade liberalization; ensuring that the multipolar global governance system does not lead to the disengagement of its major players; reaching a consensus on the WTO's objectives, functions, and contested boundaries; reconciling the WTO's trade rules with fairness, justice, and development for the benefit of its weakest members; and addressing the inconsistency between Preferential Trade Agreements and the WTO's principles of non-discrimination and transparency.

The first chapter lays the foundations by analyzing the new political and economic circumstances. It argues that the transition from a bipolar – United States and Western Europe – to a multipolar multilateral trading system has increased the complexity of reaching a consensus at international level. Remarkably, the authors acknowledge the shrinking support for the current model of trade liberalization, warning that the »uneven distribution of welfare gains from interna-

tional trade – both among and within states – is a major issue affecting the long-term political support for the multilateral trading regime« (p. 19). While they rightly call on governments to improve national distribution and labor market policies, the authors do not tackle the unbalanced multilateral trade rules and irresponsible corporate behavior, which have had a significant influence on current difficulties.

The second chapter constitutes the heart of the Report and deals with the wto's three most contentious reform areas: its decision-making and agenda-setting processes, and its Dispute Settlement Mechanism. The main recommendation concerns the decision-making process. The Report suggests a »critical mass« approach, which would allow a group of like-minded countries to move ahead and agree on particular issues (»variable geometry«) as long as they fulfill certain criteria (pp. 30–32). This approach was applied in multilateral trade negotiations before the Uruguay Round (1986–94), with mixed results. Given the current deadlock in the Doha Round negotiations, such an approach might gain attractiveness for future multilateral trade negotiations. Concerning the contested boundaries of the wto, the Report cautions that there is no easy answer to the question of »where the mandate of the wto stops in a coherent system of international cooperation« (p. 27). While it touches on the old »Singapore issues« and the relationship between trade and labor, the environment and gender, it leaves out the controversial debate on whether and how exchange rates should be considered under wro rules. The announcement by the new us administration that it would take action against China's undervalued Renminbi, the effect of which is similar to an export subsidy, has rekindled that dispute. Experts of the United Nations Conference on Trade and Development (UNCTAD) Secretariat have long wondered how it could be possible to regulate trade without taking into account the »terms of trade.« With regard to the Dispute Settlement Mechanism, one really valuable recommendation is to get the condemned wro member to provide cash compensation to the country harmed. This would kill two birds with one stone: On the one hand, the current practice of trade sanctions contradicts the wto's overall objective of facilitating trade; on the other hand, retaliatory measures have proven rather ineffective for small economies (p. 33). However, the authors themselves recognize the practical difficulties, such as fixing the right amount of compensation, collecting the fine, and getting the incentive structure right (p. 35).

The third chapter reviews the ideological dispute on the relationship between trade and development. It stresses that the interlinkages are extremely complex and very much depend on national circumstances. While some developing countries, most notably Asian economies, have used trade successfully as a tool for development, others, such as most African countries, have not (yet) been able to do so. Concerning the role of the wro, the authors rightly mention that three factors influence its members' development prospects: the negotiating agenda,

the policy design of the agreed trade rules, and how they are implemented. However, it does not take up developing countries' current main concerns, which are also the main stumbling blocks of the Doha Round negotiations: the elimination of tariff escalation for their main export products and the agricultural subsidies of the industrialized countries. The Report only concedes in the final conclusions (p. 55) – somewhat defensively – that the present negotiations were not taken into consideration. Instead, the chapter includes a lengthy discussion on the practicality of Special and Differential Treatment and the Aid for Trade initiative. However, it does touch upon one of the most delicate issues in multilateral trade negotiations: Brazil, China, India, and other emerging powers still categorize themselves as »developing countries.« In principle, this entitles them to the same flexibilities as Bolivia, Kenya, or Indonesia (p. 39). Since there are tremendous economic differences between these countries, however, a reclassification of WTO members, with corresponding sliding scale commitments, seems indispensable. In the Doha Round negotiations, certain differentiation is already applied *de facto* and has led to a complex set of flexibilities; however, the outcome reflects the negotiating success (and power) of the respective countries, rather than an agreed *de jure* principle.

The fourth chapter provides the reader with a concise overview of the relationship between Preferential Trade Agreements (PTAs) and WTO rules, and offers different options on how to reconcile this tension. The first one, praised as the »most elegant way« (p. 51) – namely, to reduce all Most Favoured Nation (MFN) tariffs to zero – seems doubtful from a development perspective, given that one of the few trade policy tools still available for developing countries is precisely their tariffs. The most prominent opponent of such a step would probably be heterodox economist Ha-Joon Chang, author of »Why Developing Countries Need Tariffs« (2005). However, the recommendations that major industrialized countries should refrain from concluding PTAs among themselves and that the WTO's Transparency Mechanism should be made permanent are valuable and deserve serious consideration.

The conclusion »Which Way Forward?« reemphasizes the need to start a »constructive, non-litigious, non-confrontational« (p. 56) reflection process on the future of the multilateral trading system. In this respect, the report offers a good overview of the main reform areas and modest but realistic recommendations. However, more fundamental reforms are necessary to transform the WTO into a system that is robust enough to confront the challenges of the twenty-first century. In this context, the Report's main weakness turns into its main strength, namely to provoke and inspire the reader to further develop the recommendations. WTO Director-General Pascal Lamy, who was reappointed for a second four-year term and has proven very open to reform proposals, presented his own vision of the WTO's future on April 29, 2009. This has already triggered a broader discussion in the run up to the next regular WTO Ministerial Conference that will

be held before the end of this year. Since it might be unduly optimistic to rely on the enlightened self-interest of bureaucrats to push for restructuring, it will very much depend on pressure from civil society groups from outside the system to bring about change. The WTO clearly risks becoming sidelined if it is unable to address new issues and to increase its efficiency, fairness, and legitimacy.

*Steffen Grammling,  
Friedrich-Ebert-Stiftung, Geneva*

**BERND GREINER / CHRISTIAN TH. MÜLLER / DIERK WALTER (Hrsg.):  
Krisen im Kalten Krieg  
(Studien zum Kalten Krieg, Bd. 2)**

Hamburg 2008

Hamburger Edition, 547 S.

**W**en die Erinnerung an den Kalten Krieg noch heute frösteln lässt, der muss zu diesem Buch greifen. Denn hier findet er genügend Belege für seine diffusen Empfindungen. Und wer wissen will, warum der Kalte Krieg immer wieder explosive Momente hervorbrachte, der ist mit diesem Sammelband ebenfalls auf der Höhe der Zeit.

Siebzehn Autoren schildern unter Hinzuziehung bisher unbekannter oder nicht zugänglicher Dokumente wichtige Krisen in Europa, dem Nahen Osten, in Afrika, der Karibik und in Ostasien. Sie erklären Entstehung, Ablauf und Folgen dieser Konflikte. Die Kriege in Korea, im Kongo und im Nahen Osten, die Krisen um Berlin, Kuba und Suez, die Aufstände in Osteuropa erhalten hier eine Akzentverschiebung oder gar Neubewertung. Allein diese Beiträge machen das Buch zu einer zeitgeschichtlichen Fundgrube und einem wahren Lesevergnügen. Was den Sammelband aber noch wertvoller macht, sind die Einsichten, Konsequenzen und Lehren für das heutige Handeln angesichts zahlreicher internationaler Krisen. Die Aufsätze vereinen Ereignisgeschichte und systematische Einsichten in die Handlungswänge krisengeplagter Entscheidungsträger. Die Vorbereitung und der Ablauf der Suez-Krise sind ein glänzendes Beispiel für zerstörerische Gruppendynamiken, bürokratischen Ehrgeiz und Misstrauen in Bündnissen und Koalitionen. Die selbstverschuldete Blind- und Taubheit der amerikanischen Nachrichtendienste während des Ungarnaufstands 1956 erinnern fatal an ähnliche Fehleinschätzungen während der jüngsten Konflikte. Vor allem die mangelnden Kenntnisse über tatsächliches sowjetisches Denken und Handeln sind verblüffend und insofern aufschlussreich, weil man auch heute relativ wenig über die Absichten und das Denken neuer oder angeblicher Gegner zu wissen scheint. Zweifellos wissen wir seit der kritischen Friedensforschung, dass das atomare Wettrüsten gleichsam krankhafte Züge annehmen konnte und die Verantwort-