

International Trade Law

Module one (History and sources of international
trade law)

Unit three (Origins of World Trade Organization)

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Effects of noncoordinated tariff policy

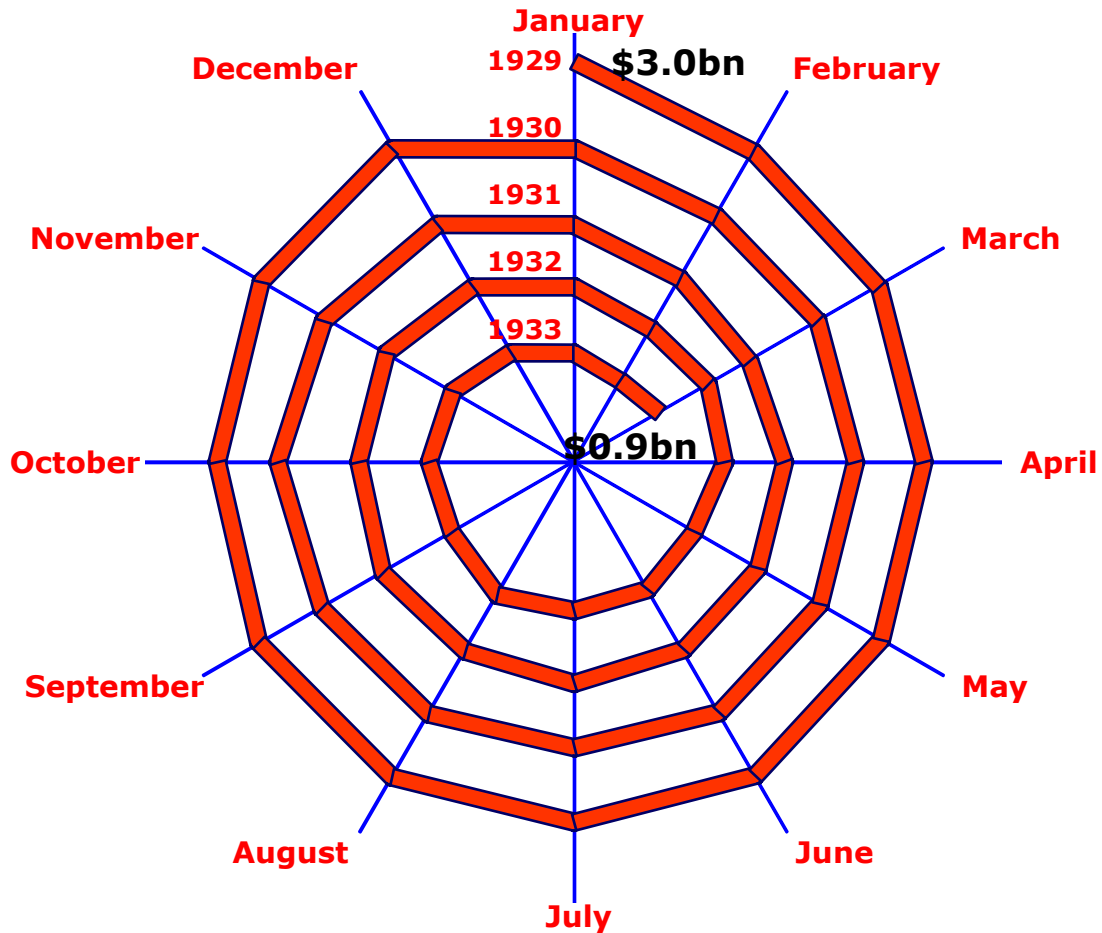
Fordney–McCumber Tariff act (1922)

European Countries (eg. France) start to rise their tariffs

League of Nations opts for minimalisation and finally abundance of tariff instruments (1927)

Smoot–Hawley Tariff act (1930)

Great Depression 1929



Trade figures: per month

Source: Charles P Kindleberger, *The World in Depression 1929–1939*, Allen Lane/Penguin, page 172, citing *League of Nations Monthly Bulletin of Statistics*, February 1934, page 51. (Total imports of 75 countries, monthly values in terms of old US gold dollars.)

Bretton Woods Conference (**United Nations Monetary and Financial Conference**) 1944

- The formulation of new post war economic order
- Limitting the scope of political influence on international economy
- Liberalising the trade
- Assuring resources for post war reconstruction
- Creatig mechanism of currency exchange rates stabilisation

Three pillars of Bretton Woods system

World Bank

**International
Monetary
Fund**

**International
Trade
Organization**



Economic and Social Council meeting (1947)



Draft of ITO charter (not accepted)
Schedules of tariff reductions
Multilateral treaty containing general principles of trade – General Agreement on Tariffs and Trade (GATT)

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Protocol of Provisional Application to apply the GATT provisionally on and after January 1948

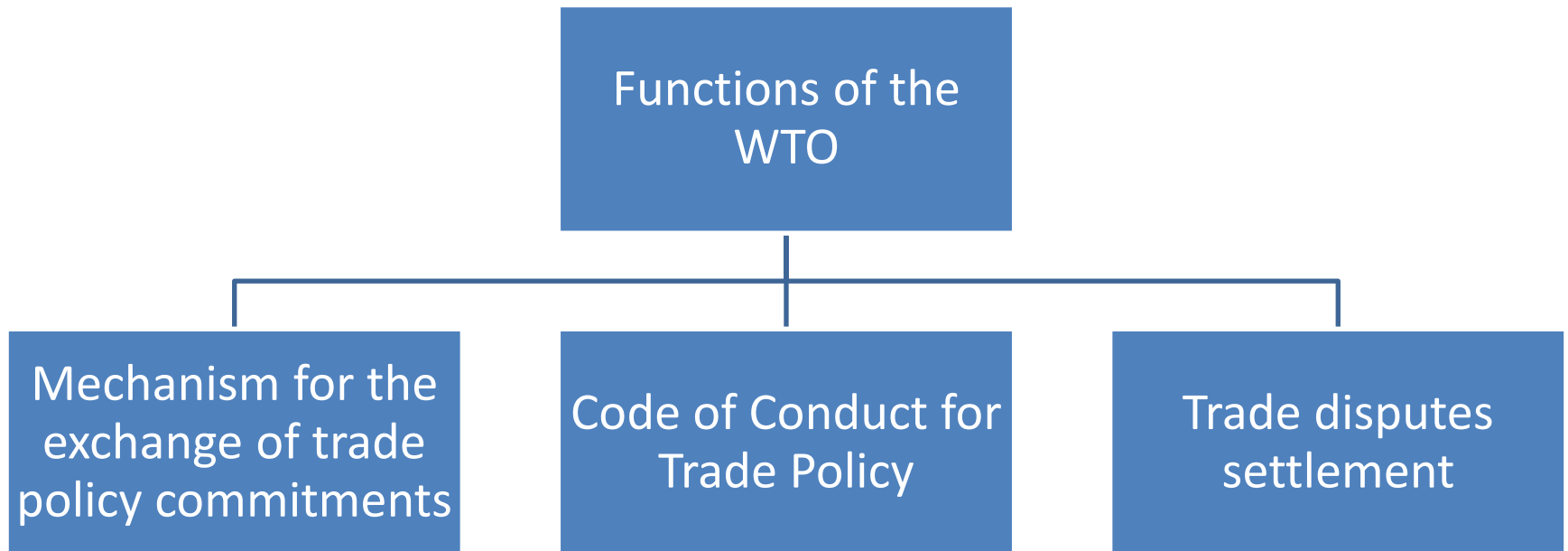
- Parties to the GATT – „contracting parties” not „member states”
- Lack of legal personality of GATT
- GATT has only „provisional application”
- Ambiguity and confusion about GATT’s authority, decisionmaking ability and legal status

Year	Name of the round	Main subject of negotiations	Number of countries
1947	Geneva	Tariffs	23
1949	Annency	Tariffs	38
1951	Torquay	Tariffs	38
1956	Geneva	Tariffs	26
1960-1961	Dillon Round	Tariffs	26
1964-1967	Kennedy Round	Tariffs + antidumping	62
1973-1979	Tokyo Round	Tariffs + non tariff barriers + subsidies + antidumping	102
1986-1994	Uruguay Round	Establishment of WTO + Tariffs + non tariff barriers + services + IP	123
2002-	Doha round	Tariffs, Agriculture, services, IP, government procurment, environment, competition, e-commerce	

The creation of WTO

- Risk of GATT a la carte
- Finally the institutional form for world trade was created
- Need to reform the whole world trading system
 - New areas of interests
 - New focus points
 - Shift in the participation of Low Developed Countries
- Changes to the dispute resolution system

The Multilateral Trading System



Aim of the WTO

- Objectives (preamble WTO)
 - Increase of standard of living
 - Attainment of full employment
 - Allowing optimal use of the world's resources, objective sustainable development
 - Protect and preserve environment
 - Share of growth for developing and least developed countries
- Through reduction of trade barriers and elimination of discrimination

THANK YOU FOR YOUR ATTENTION