

### **Economics 165: Paper Topics**

The paper for Economics 165 is due in class on Monday, March 3 -- no late papers will be accepted. Please choose one of the topics listed below as the focus of your paper. Papers should be five to seven double-spaced pages in length, plus any graphs, tables, references, or footnotes. Bring in the theory whenever possible, and support your arguments with graphs and/or algebra where appropriate. The paper should include a short introductory section containing a brief description of the issue and relevant background material, a main section presenting the analysis, and a brief concluding section summing up the main points of the paper. Any footnotes, references, graphs, and tables should follow the concluding section in that order.

#### Topics

In their book, **Behind the Scenes at the WTO: the *real world* of international trade negotiations**, Fatoumata Jawara and Aileen Kwa conclude the following:

“Developed countries are benefitting from the WTO, as are a handful of (mostly upper) middle-income countries. The rest, including the great majority of developing countries, are not. It is as simple as that.” (P. 269).

... “This prompts the question of whether the world needs a World Trade Organization, and if it does, what it should look like. The WTO’s supporters regularly respond to its critics that such an organization is needed, because the institutional framework provided by a ‘rules-based’ international institution at least puts the developing countries in a stronger position to challenge the developed countries than the anarchy of a ruleless system.

“In *theory*, this is plausible. The existence of the WTO *should* put some constraint on the ruthless pursuit of self-interest by the most powerful countries in the field of trade. In *practice*, however, the defence mechanisms that exist are largely inaccessible to, and ineffective in the hands of, most developing countries; and many aspects of the WTO merely provide the developed countries with new instruments to put pressure on developing countries in pursuit of their own commercial agendas.

... “In short, appealing as the idea of some kind of multilateral trade system might be in principle, it seems clear that the WTO as it currently operates does not constitute such a system. Far from setting fair trade rules to protect the interests of the weak, the WTO has been complicit in reinforcing the interests of the strong: Anarchy – the threat (real or supposed) used to justify the WTO – may be bad for the weak, but the tyranny of the strong may be worse.” (Pp. 302-304).

1) Using the models covered in class, develop and support a position for the Doha “Development” Round on whether the long-standing GATT/WTO practice of granting “Special and Differential Treatment” to its LDC members should be strengthened or rather abandoned in order to best help LDCs benefit from membership in the WTO.

2) Using the models covered in class, develop and support a position for the Doha “Development” Round on whether efforts to negotiate reductions in agricultural export subsidies should be strengthened or rather abandoned in order to best help LDCs benefit from membership in the WTO.