



KAUTILYA SCHOOL OF PUBLIC POLICY

GITAM (Deemed to be University)
Rudraram, Patancheru Mandal
Hyderabad, Telangana 502329

Course Code: PPOL6691	Course Title: Law and Policy of Global Trade	
Trimester: 2	Course Type: Elective	Credits: 3
Home Program(s): MPP	Batch/Academic Year: 2022-24	
Course Lead: Dr Judith Spiegel	Assigned T/RA: Ms. Rituja Ghosh	

Course Description

Strong open trade policies bring more economic growth than a protectionist approach. International trade law aims to ensure that trade flows as smoothly and predictably as possible. However, that flow is sometimes interrupted, and often for good reasons. There might be national economic or social interests to take into account, or human and environmental rights which might not be compatible with free trade. We will look at this often complex relationship between public policy and international trade law. Being the only international body dealing with the rules of trade between nations, the WTO will play an important role in this course. There will be ample use of real-life (and real-time) examples and plenty of room for discussion and debate.

Learning Objectives

To raise awareness of a country's global trade policy and to be able to take into account the legal aspects of such economic decision making. The following topics are highlighted:

1. The web of laws and regulations around international trade;
2. The workings of the WTO;
3. Trade of services as a key-driver of economic development and remaining barriers;
4. State-investor relationships, local FDI-law, regional free-trade agreements and the concept of free-trade zones;
5. Human and environmental rights issues and how they interact with global trade.

Course Outcomes

On successful completion of this course, students:

1. Will understand how trade policies are reflected in legal trade instruments;
2. Will be able to know and find the sources of global trade related law;
3. Will have an understanding of the main features and principles of that law;
4. Will be able to identify the relevant actors and legal issues at stake;
5. Will be able to put reality-based cases in a policy based legal context;
6. Will have stronger written and verbal communication skills and critical thinking skills.

Textbooks and Course Materials

Textbooks:

- Peter van den Bossche and Werner Zdouc, *The Law and Policy of the World Trade Organization*, Cambridge, 5th edition (2022).
- Aneta Tyc, *Global Trade, Labour Rights and International Law: a Multilevel Approach*, Routledge, June 2021.
- Kavaljit Singh and Burghard Ilge (ed.), *Rethinking Bilateral Investment Treaties: Critical Issues and Policy Choices*, Both Ends/Madhyam/SOMO 2016, open source: <https://www.madhyam.org.in/wp-content/uploads/2016/03/Rethinking-BIT-Book-PDF-15-March-2016.pdf>

Online materials (subject to change):

- Managing the Challenges of WTO Participation: 45 Case Studies: (https://www.wto.org/english/res_e/booksp_e/casestudies_e/casestudies_e.htm)
- *India appeals against WTO dispute panel ruling on sugar export subsidies*, (https://www.business-standard.com/article/pti-stories/india-appeals-against-wto-dispute-panel-ruling-on-sugar-export-subsidies-at-appellate-body-122010200195_1.html)
- *Remodelling India's Investment Treaty Regime*, (<https://thewire.in/trade/remodeling-indias-investment-treaty-regime>)
- *Future of Fashion*, (https://www.workersrights.org/wp-content/uploads/2021/05/ILRF_Future-of-Fashion-v5_compressed.pdf)
- *Fatal accident at Alang yard during cutting of BW Offshore vessel* (<https://shipbreakingplatform.org/accident-alang-bwoffshore/>)
- Shunta Yamaguchi, *International Trade and Circular Economy – Policy Alignment*, OECD Trade and Environment Working Papers, February 2021 (https://www.oecd-ilibrary.org/environment/international-trade-and-circular-economy-policy-alignment_ae4a2176-en)
- *WTO Informal working Group on MSME's, Declaration on Micro, Small and Medium-Sized Enterprises, December 2020* <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/INF/MSME/4.pdf&Open=True>
- Joy Y. Ziang, *IPR Management in International Cleantech Cooperation*, Georgetown Environmental Law Review 2019, p. 1-57 <https://www.law.georgetown.edu/environmental-law-review/wp-content/uploads/sites/18/2020/01/GT-GELR190044.pdf>

Course Schedule

Unit I	Sessions: 4	Market access and non-discrimination
<p>If WTO-member country X wants to trade its surplus of sugar, it would like other countries to open their markets. At the same time, X may want to protect its education sector from outsiders establishing – say – private universities. So, it has issued a set of domestic regulations to achieve these policy-goals: subsidizing sugar farmers and prohibiting foreign educational enterprises to set up business in the country. Is this</p>		

allowed within the WTO framework or can country X expect complaints and/or counter-measures?

- Introduction to the WTO, core agreements (GATT, GATS, TRIPS);
- Basic WTO rules: non-discrimination (MFN/national treatment) and market-access (tariff barriers, dumping and subsidies);
- Exceptions to the rules (security, economic emergency, anti-dumping, countervailing etc.);
- Dispute settlement mechanism;
- Case study: *India and the Wheat Export Ban (May 2022, reasons, effects, compatibility with WTO-system).*

Unit II	Sessions: 6	The service sector and its challenges
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Trade in services has increased rapidly: think IT-services, medical services or tourism. However, there are still substantial barriers and for emerging markets to benefit more from trade in services more liberalization and inclusivity is called for. This is not just a matter of modernizing and increasing effectiveness of international trade law, but equally of national factors, such as improving conditions for foreign investments.

- Old economic realities: State-owned enterprises (telecom, transportation etc.), exclusion of government procurement;
- New economic realities: e-commerce and digital trade, harmonization of consumer protection, global value chains and determination of origin etc.
- MSME's, women and youth participation in international trade: barriers, national and international initiatives;
- Free Trade Zones: success/failure?, WTO-compliant?
- Case Study: *Inspired by China: India's new generation SEZ's.*

Unit III	Sessions: 6	Human and Environmental Rights
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An import ban on endangered sea turtles won't raise much resistance. But what about an import-ban on clothes that are made under 'unethical conditions'? And how is our right to privacy protected when data 'flow' all over the world all the time? Human rights and sustainability are not always in sync with international trade interests. Some might even say that international trade is an instigator of human rights violations (race to the bottom) whereas others argue that international trade laws can help to enforce human and environmental rights.

- The right to privacy and data protection;
- International Labour Standards (ILO conventions, WTO-clause);
- Trade and sustainability, environmental restrictions as justifiable exception?
- Supply chain responsibility;
- Case Study: *International trade and circular economy, boost or brake?*

Unit IV	Sessions: 3	Zooming in on intellectual property
<p>A company might be reluctant to trade with other nations if it fears its invention/technology/design will be stolen. Equally, a company will be reluctant to outsource parts of its assembly-process if it fears its industrial secrets might be jeopardized. Strong IP-laws thus do not just protect the makers but also benefit countries where makers decide to have their products marketed or produced. That being said, recent pharmaceutical IP-issues show us that strong protection isn't always beneficial to all.</p> <ul style="list-style-type: none"> ● Intellectual property rights, what are they and who benefits from them? ● Finding the balance between protection and public interests; ● Main principles of TRIPS and how it made countries adapt/amend their IP-laws, challenges of enforcement; ● Developing countries and cleantech; ● Case study: <i>Waiver on Intellectual Property Rights for Covid-related products (current status, pro's and con's)</i>. 		
Unit V	Sessions: 5	Back to regionalism?
<p>Recent events such as Fukushima, Covid-19, the blockage of the Suez canal by the stranded “m/v Evergiven” and the war between Russia and Ukraine show us that global trade systems are vulnerable. Is it time to reconsider and stay closer to home with our trade agreements? Furthermore, consensus-based decision making has slowed down WTO-progress tremendously. Result: regional and bilateral trade agreements have gained popularity over the past decade or so. How does that relate to the WTO-system?</p> <ul style="list-style-type: none"> ● Regional (and not so regional) trade agreements, allowed under GATT and GATS? ● Are they undermining or re-enforcing WTO? ● Where are disputes settled in non-WTO cases? Investor-State: international arbitration (ICSID, (UNCITRAL, ICC), national courts, State-State: national courts, arbitration? ● The problem of spaghetti bowls of RTA's; ● Case Study (and ‘finale’ of the course): <i>Decoding the India-UAE CEPA</i>. 		