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Rejoinder

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David Henderson misreads, misstates, and misunderstands my argument in The World Trade Organization’s Legitimacy Crisis. He pejoratively refers to my suggestions for restoring the WTO’s legitimacy as ‘radical’ no fewer than three times.

Yet it is Henderson who offers the radical view. He palpably longs for the trade regime of a bygone era – the old ‘club system’ where the lines between insiders and outsiders were sharply drawn, secrecy was the order of the day, and hostile NGOs were kept at bay. He derides (p. 286) the critics of the WTO as anti-capitalists and argues (p. 289) that the WTO should not adjust to today’s political reality but rather continue to focus narrowly on ‘the goal of a more liberal trade system’. He mocks my call (p. 288) for ‘balance’ between trade liberalization and other policy ends such as environmental protection and equity for developing countries. He advises the WTO (p. 289) not to take ‘explicit account of a wide range of other objectives that governments have endorsed’ such as sustainable development. He denies (p. 290) that globalization has constrained the economic policymaking capacities of national governments. And he calls for deeper economic integration, yet finds no need for institutions to manage the resulting interdependence (p. 291).

Henderson sees no WTO legitimacy crisis. No wonder. It is precisely this sort of doctrinaire attitude, inability to recognize the need to adjust to new circumstances, and condescending tone that has produced a backlash against globalization and hostility toward the WTO.

Henderson breaks my article down into three issues: (1) legitimacy, (2) the objectives of the WTO, and (3) global governance. He appears to have missed the fact that all three of these elements are part of a single discussion about legitimacy. I specifically argue that legitimacy can be established through popular sovereignty, efficacy, or a systemic connection to a broader governance structure that has legitimacy and which provides checks and balances. My central thesis is that the WTO needs to strengthen its claim to authority across these multiple dimensions.

Not only does Henderson misapprehend my over-arching argument, he gets confused in his discussion of each piece. While I offer a nuanced and multi-faceted approach to legitimacy, he focuses (p. 279) on ‘formal legitimacy’, drawing on a dictionary definition of ‘of being in accord with law’. But this line of defense of the

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status quo fundamentally misunderstands the WTO’s legitimacy problem. The issue is not legality, but rather political legitimacy and the organization’s responsiveness to the demands of today’s international circumstances.

Henderson attacks the notion that popular sovereignty and democratic participation represent an appropriate basis for legitimacy and argues that, in any case, national-level public debate is sufficient. He glides past the argument that global-scale decisionmaking requires global-scale debate and politics. Just as a council of mayors is no substitute for a national parliament, closed-door WTO decisionmaking by national representatives falls short of what is needed for public understanding and acceptance. For international bodies to be seen as legitimate, a robust international deliberative process must undergird their decisions. Other international entities, such as the World Bank, have learned this lesson and become much more inclusive and open in their work.

What becomes evident quite quickly is Henderson’s deep hostility toward NGOs. In passages that drip with vitriol, he rails against those who oppose globalization. As my article makes clear, I think many of those who have spoken out against the WTO are mis-informed. But I do not believe they should be silenced or excluded from the debate about how we carry forward the process of trade liberalization and economic integration.

In his diatribe against ‘civil society’, Henderson attacks (p. 284) the idea that NGOs might speak ‘for the people of a country’. But his target is a straw man. No one is suggesting that NGOs displace government officials as the decisionmakers. In this regard, Henderson misstates my position and again misses the point. I do not say that NGOs should be given a decisionmaking role in the WTO as Henderson indicates (p. 284). What I do say is that NGOs should have a chance to present their views and observe WTO discussions. More open and transparent deliberations would broaden WTO policy debates, promote better public understanding of WTO procedures and outcomes, and generate intellectual ‘competition’, which leads to more vibrant and thorough decisionmaking. A process that draws in a full spectrum of views (including developing country perspectives as well as business and NGO outlooks) and systematically explores alternative data and policy options is much more likely to produce thoughtful, carefully constructed, and durable outcomes. Thus, while Henderson may prefer a clubby atmosphere where like-minded officials hammer out deals, such a decisionmaking process falls woefully short of modern thinking about how effective policymaking gets done.

Henderson’s view of the WTO’s raison d’être (p. 285) as a negotiating forum for market-opening concessions and his argument that the organization’s objectives should thus be kept narrowly trade-focused (p. 289) cannot be squared with his own acknowledgement (p. 288) that the WTO of today has a much broader reach going deep into domestic regulations and intruding upon a range of other policy domains, including environment, labor, investment, and competition. Good choices across this spectrum of issues cannot be achieved with a singular focus on trade liberalization in mind. The logic of a broader set of objectives becomes even stronger in
light of the fact that the WTO is not simply a forum for negotiating tariff reductions but rather a structure for working out the rules of engagement for international commerce.

Henderson’s attack (pp. 290–291) on ‘international dawnists’ (including Kofi Annan, Peter Sutherland, Robert Keohane, and Joseph Nye) again goes wide of the mark. In his discussion of global governance, Henderson confuses description and prescription. He devotes a number of pages (pp. 291–293) to rebutting the assertion that international organizations have become more powerful, but scarcely addresses the normative point that closer trade and investment ties require institutional structures to manage the disputes and address the tensions that deeper interdependence inevitably brings. And once again, Henderson misstates my position. He attributes to me (p. 295) a call to extend the WTO’s ‘powers in the name of global governance’. I say no such thing. Indeed, I urge the WTO to ‘trim its sails’, exercise power in a more careful fashion, and take account of a broader set of perspectives.

In sum, David Henderson’s view of the trade system builds on an outdated vision of the world and an outlier’s ideological perspective. With friends like Henderson, can it be any surprise that the WTO has enemies?