

A new milestone for global trade

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Dec 7, 2013 is a date destined to go down in history, as the Bali Package marked a concrete step forward in the Doha Round of World Trade Organization trade talks. The last-minute deal came after tense overnight talks that extended the end of the WTO's 9th Ministerial Conference from Friday afternoon to Saturday morning.

After more than a decade of negotiations and missed deadlines, the WTO has finally achieved a breakthrough in its marathon trade-liberalization negotiations. Now there seems to be some light at the end of the tunnel, people may regain their confidence in the WTO multilateral trade system. Disputes between the developed and developing economies are the reason the WTO multilateral trade framework has failed to deliver on its promise up to now. To be more specific, the advanced economies have usually chosen to ignore the reasonable appeals of the emerging economies. In particular, the developed countries have refused to make concessions to the demands of the least developing countries. For instance, the issue of agricultural export subsidies in developed countries and the national food security issue for developing economies were both tough topics negotiated at the conference.

The Bali Package this time has made a breakthrough in three major areas. First, the agreement has simplified the trade process and made customs

clearance quicker. Second, the agreement gave consideration to the national food security issue that is a major concern of many developing economies and reached a consensus on quota management. Third, a series of preferential policies are provided for those least developed countries when they export their goods to developed countries.

In order to reach an agreement, all parties have made some concessions this time, which has laid a solid foundation for moving forward. Since the global economy seems to be slowly recovering, such a promising outcome can provide new boost for sustainable global economic growth.

Globalization is generally thought to refer to trade liberalization and investment facilitation, but this is too narrow, and it should encompass "open, fair and impartial" global rules and balanced global development as well.

In the current global value chain, the developed nations always have competitive advantages over developing economies, so if fair and reasonable rules are not established, it will be difficult to resolve the polarization that exists between the developed and developing countries.

In fact, facing a series of global challenges, all countries should forgo narrow-minded private interests, and think more about common interests, resolving differences and cooperating in response to the coming difficulties.

Dec 11 was the 12th anniversary of China's accession to the WTO, when the Chinese economy began its gradual integration into the global economy. China has clearly benefited from this integration; its economy has realized an average annual growth rate of 9 percent and millions of jobs have been created for migrant workers. At the same time, China has clearly made its own contributions to the world economy by providing the world with many quality export products at a reasonable price, balancing the huge financial deficit created by the US administration, and alleviating global inflation pressures.

At present, China's economy enjoys stable development, and the global economy is slowly recovering, which means it is the perfect time for the Chinese government to comprehensively promote deeper reforms and upgrade the economy in various areas.

Over the next 10 years, China will accelerate its new urbanization drive and promote industrialization, informatization and agricultural modernization in the country. Meanwhile, China is aiming to become the most attractive consumer market in the world. It is predicted that commodities valuing nearly \$10 trillion will be imported from overseas economies, and China will directly invest \$500 billion in foreign markets over the next decade, so the bigger the share of China's market and investment a foreign country can get, the higher growth rate its economy will enjoy over the next decade.

The last 10 years were a "golden decade" for China, and a new golden decade will not only benefit China, it will also benefit the rest of the world.

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