

# A Study on Impact of World Trade Organization on Global Trade

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**Abstract:** *This study identifies trade & environmental enterprises as a factor which manipulates the working of WTO & therefore challenges in achieving the balance between economics pretensions & environmental pretensions. Since the foremost days of the World Trade Organization (WTO), one of the most prominent areas of debate has been whether the trading system, as it's presently designed, is suitable to serve the vast and varied requirements of our natural terrain. These questions have come more complex over time, as the impacts of climate change have worsened, our fisheries have faced adding situations of exploitation, biodiversity losses have escalated, and plastic waste pollution has grown, to name but a many exemplifications. The main route of information is gathered with the help of a set of questions through area exploration containing a set of questions that was designed according to Problems Faced by the People about the trade & environmental enterprises as a factor which manipulates the working of WTO & therefore challenges in achieving the balance between economics pretensions & environmental pretensions. To save cost and time and to maintain the cooperation and goodwill of the repliers; the questions were kept simple and straight to the point.*

**Keywords:** Impact, World, Trade, Global, Organization

## I. INTRODUCTION

The World Trade Organization( WTO) stands at the heart of transnational trade, shaping the dynamics of global commerce in profound ways. Its influence is felt across diligence, husbandry, and nations, making it a subject of consummate significance to understand. In this study, we claw into the intricate web of relations between the WTO and global trade, examining the association's part, impact, and counteraccusations on the world's profitable geography. Through comprehensive analysis and exploration, we aim to exfoliate light on the multifaceted confines of this relationship and give precious perceptivity into how the WTO shapes the course of transnational trade in the contemporary globalized world. In moment's connected world, transnational trade plays a vital part in shaping husbandry, businesses, and societies. The World Trade Organization( WTO), established in 1995, stands as a foundation of the global trading system, with the abecedarian thing of promoting and easing transnational trade. Over the times, the WTO has surfaced as a crucial player in regulating and overseeing global commerce, and its influence reaches far and wide. This study embarks on a comprehensive disquisition of the impact of the World Trade Organization on the intricate web of global trade. By probing into the WTO's history, functions, and the myriad of agreements it administers, we aim to decrypt how this transnational institution has told the dynamics, patterns, and rules governing global trade. Our analysis will encompass a multifaceted approach, considering both the advantages and examens of the WTO's part in shaping the ultramodern global trading landscape. As the world continually evolves, the significance of understanding the WTO's impact on global trade becomes decreasingly vital. This study seeks to exfoliate light on the intricate interplay between transnational trade and the WTO, furnishing precious perceptivity into how this association has shaped and continues to shape the inflow of goods and services across borders. Through rigorous exploration and analysis, we endeavor to contribute to the ongoing converse girding the future of global trade in a WTO- told world. The WTO has played a significant part in promoting trade liberalization by reducing tariffs



and non-tariff walls, making it easier for countries to engage in global trade. Dispute agreement Medium The WTO's disagreement agreement system has resolved multitudinous trade controversies, furnishing a rules-grounded frame for addressing conflicts and enhancing trade security. Globalization The WTO period coincided with a period of rapid-fire globalization, leading to increased cross-border trade, foreign direct investment, and the integration of force chains on a global scale. Challenges and Criticisms Inequality Critics argue that the benefits of globalization and WTO-driven trade have not been unevenly distributed, leading to income inequality within and among countries. Environmental enterprises The WTO has faced review for not effectively addressing environmental enterprises and the implicit conflict between trade liberalization and environmental protection. Dispute Resolution Challenges Some controversies have raised questions about the effectiveness and fairness of the WTO's disagreement agreement system. Through its principles of non-discrimination, transluency, and disagreement resolution mechanisms, the WTO has contributed to the growth of global trade by reducing trade walls and fostering a rules-grounded trading system. still, it's important to note that the WTO has faced challenges similar as trade controversies, review of its effectiveness, and calls for reform. nonetheless, as of my last knowledge update in September 2021, the WTO remains a critical institution in the world of transnational trade, and its unborn developments will continue to shape the global trading geography. farther exploration and ongoing evaluation of the WTO's part will be essential to understand its evolving impact on global trade beyond that date.

#### **Objectives :**

- To understand the role and functions of WTO in global trade.
- To assess the benefit and drawbacks of WTO'S multilateral trade system.
- To investigate the WTO's role in promoting sustainable development
- To analyze the challenges faced by WTO in adapting to changing global economic conditions.

#### **Hypothesis :**

- H0 : There is no significant association between age and the preference of organizations on global trade.
- H1 : There is a significant association between age and the preference of organizations on global trade .

## **II. REVIEW OF LITERATURE**

**Historical Evolution and Institutional Framework:** Scholars have examined the transition from GATT to the WTO and the motivations behind its creation. They explore the WTO's structure, membership, and decision-making processes (Baldwin, R., & Mavroidis, P. C. 2016). **Trade Negotiations and Agreements:** Researchers delve into the negotiation rounds that have shaped global trade rules and agreements like TRIPS, GATS, and the Doha Round. They analyze the outcomes, successes, and failures of these negotiations (Hoekman, B. M., & Kostecki, M. M. 2017). **Dispute Settlement Mechanisms:** The WTO's dispute settlement system is a focal point of study. Literature evaluates its effectiveness in resolving trade disputes, its impact on international trade stability, and the implications of dispute outcomes (Jackson, J. H. 2008). **Trade Liberalization and Economic Impact:** Scholars assess the role of the WTO in promoting trade liberalization, economic growth, and poverty reduction. They investigate the extent to which WTO membership correlates with increased trade volumes and GDP growth (Narlikar, A. 2017). **Developing Countries and Special and Differential Treatment:** The literature explores how the WTO addresses the developmental needs of developing countries through special and differential treatment provisions. Researchers assess the effectiveness of these provisions in promoting inclusivity (Pauwelyn, J. 2016). **Critiques and Challenges:** Scholars discuss critiques of the WTO, including concerns about power imbalances, unequal benefits, and its impact on labor standards and environmental regulations. They explore potential reforms to address these challenges. (Shaffer, G. 2005) **This Agenda** is a plan of action for people, planet and prosperity. It also seeks to strengthen universal peace in larger freedom. We recognise that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. All countries and all stakeholders, acting in collaborative partnership, will implement this plan. We are resolved to free the human race from the tyranny of poverty



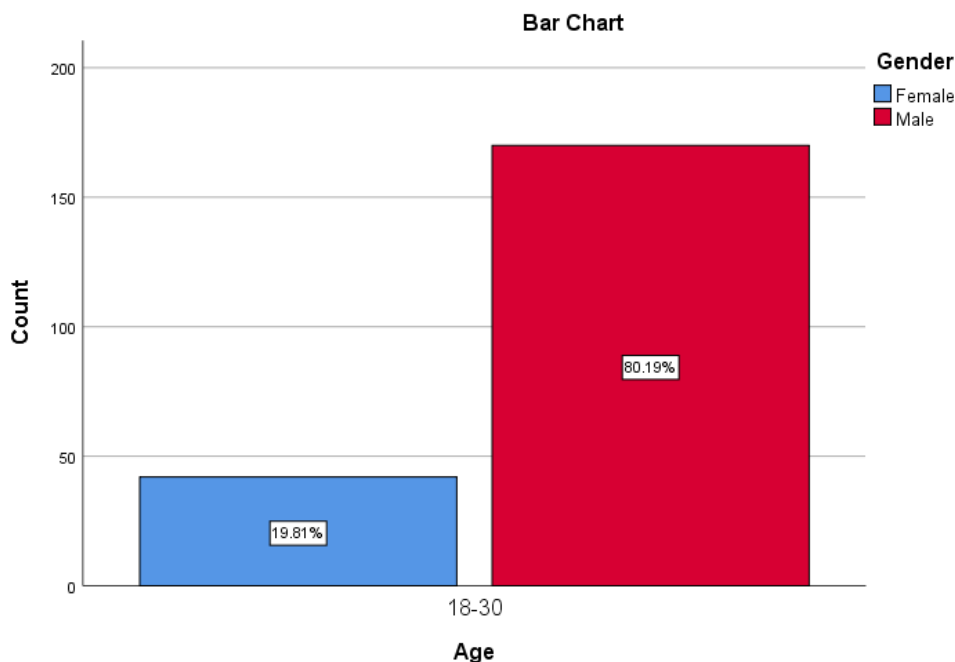
and want and to heal and secure our planet. (Aithal, P. S., & Aithal, Shubhrajyotsna 2020) We are determined to take the bold and transformative steps which are urgently needed to shift the world onto a sustainable and resilient path. As we embark on this collective journey, we pledge that no one will be left behind. The 17 Sustainable Development Goals and 169 targets which we are announcing today demonstrate the scale and ambition of this new universal Agenda. They seek to build on the Millennium Development Goals and complete what they did not achieve. They seek to realize the human rights of all and to achieve gender equality and the empowerment of all women and girls. They are integrated and indivisible and balance the three dimensions of sustainable development: the economic, social and environmental. (Mridul Madhav Panditrao., & Minnu Mridul Panditrao 2020). We are determined to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfill their potential in dignity and equality and in a healthy environment. (Aithal, P. S. & Suresh Kumar, P.M. 2016). We are determined to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations. (Singh, J. D. 2011). We are determined to foster peaceful, just and inclusive societies which are free from fear and violence. There can be no sustainable development without peace and no peace without sustainable development. (Aithal, P. S., Shailashree, V. T. & Suresh Kumar, P. M. 2016). We are determined to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature. (Ulker, N., & Bakioglu, A. 2019). We are determined to foster peaceful, just and inclusive societies which are free from fear and violence. There can be no sustainable development without peace and no peace without sustainable development (Aithal, P. S., & Shubhrajyotsna Aithal, 2015). We are determined to mobilize the means required to implement this Agenda through a revitalized Global Partnership for Sustainable Development, based on a spirit of strengthened global solidarity, focussed in particular on the needs of the poorest and most vulnerable and with the participation of all countries, all stakeholders and all people. (Aithal, P. S. & Shubhrajyotsna Aithal, 2016). The interlinkages and integrated nature of the Sustainable Development Goals are of crucial importance in ensuring that the purpose of the new Agenda is realized. If we realize our ambitions across the full extent of the Agenda, the lives of all will be profoundly improved and our world will be transformed for the better. (Suresh Kumar, P. M. & Aithal, P. S. 2016). The Heads of State and Government and High Representatives, meeting at the United Nations Headquarters in New York from 25-27 September 2015 as the Organization celebrates its seventieth anniversary, have decided today on new global Sustainable Development Goals. (Ossiannilsson, E., Altinay, F., & Altinay, Z. 2016). On behalf of the people we serve, we have adopted a historic decision on a comprehensive, far-reaching and people-centered set of universal and transformative Goals and targets. We commit ourselves to working tirelessly for the full implementation of this Agenda by 2030. (WTO 2020). We recognize that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. (Aithal P. S. 2018). We are committed to achieving sustainable development in its three dimensions – economic, social and environmental – in a balanced and integrated manner. We will also build upon the achievements of the Millennium Development Goals and seek to address their unfinished business. (Aithal, P. S., 2016). We resolve, between now and 2030, to end poverty and hunger everywhere; to combat inequalities within and among countries; to build peaceful, just and inclusive societies; to protect human rights and promote gender equality and the empowerment of women and girls; and to ensure the lasting protection of the planet and its natural resources. (Speizer, J. J. 1981).

### III. METHODOLOGY

A non doctrinal research method is using the convenient sample method. The study has both primary and secondary data, primary data was collected through convenience sampling from a well structured questionnaire convenience sampling. The sample size of the research is 200. The secondary data is collected from many journals. The independent variable considered in age of the respondents and dependent variables is their opinion and privacy issue related to liquidation. The study used percentage, graph, charts, and chi -square tests for meaningful analysis.

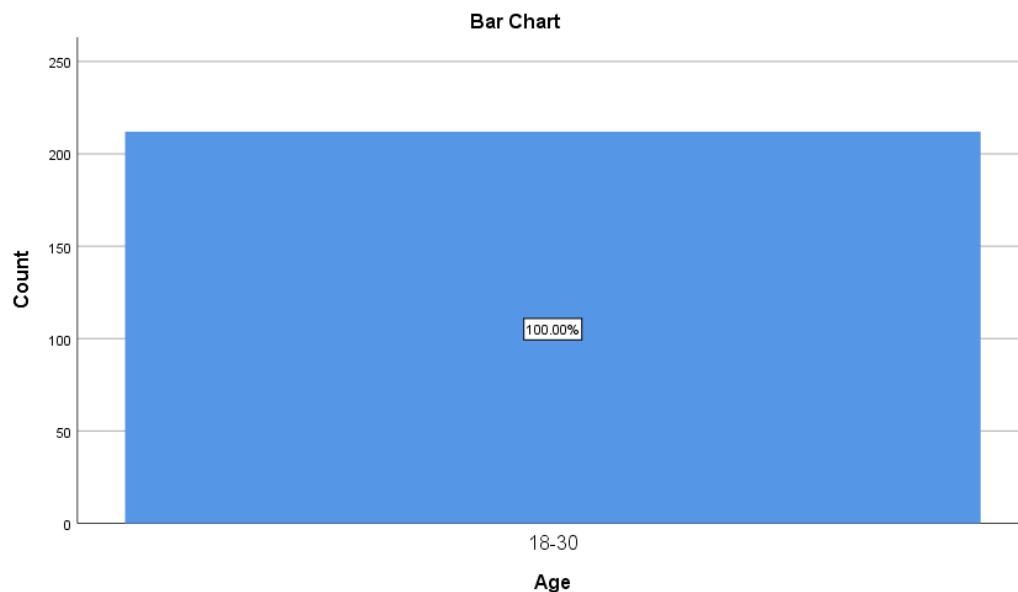


**FIGURE 1**



**Legend :** Figure 1 represents the gender of the sample population.

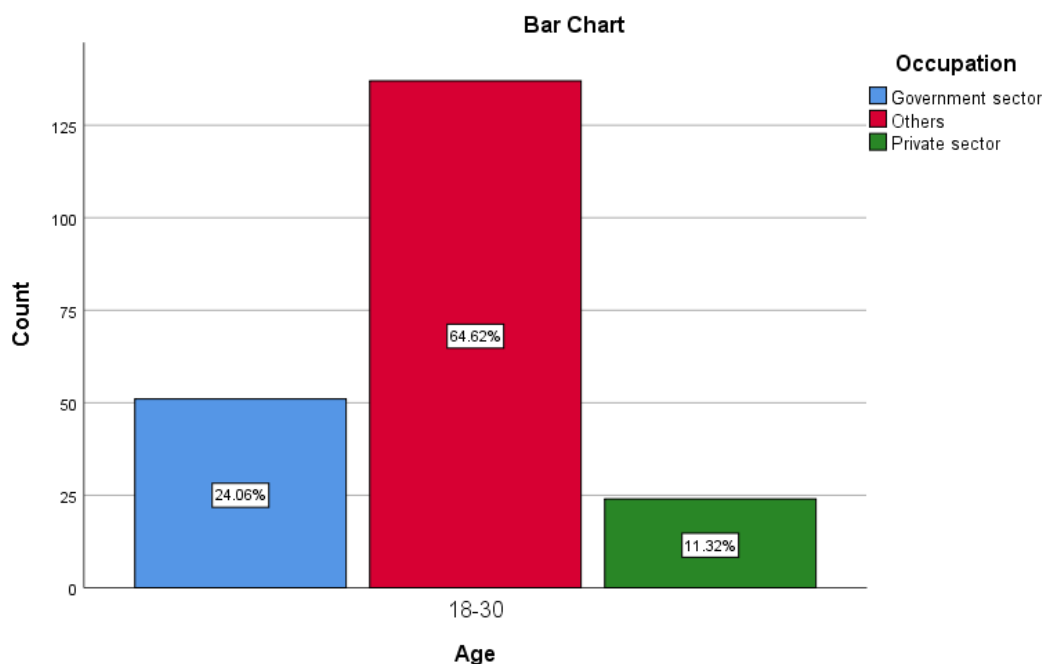
**FIGURE 2**



**Legend :** Figure 2 represents the educational qualification of the sample population.

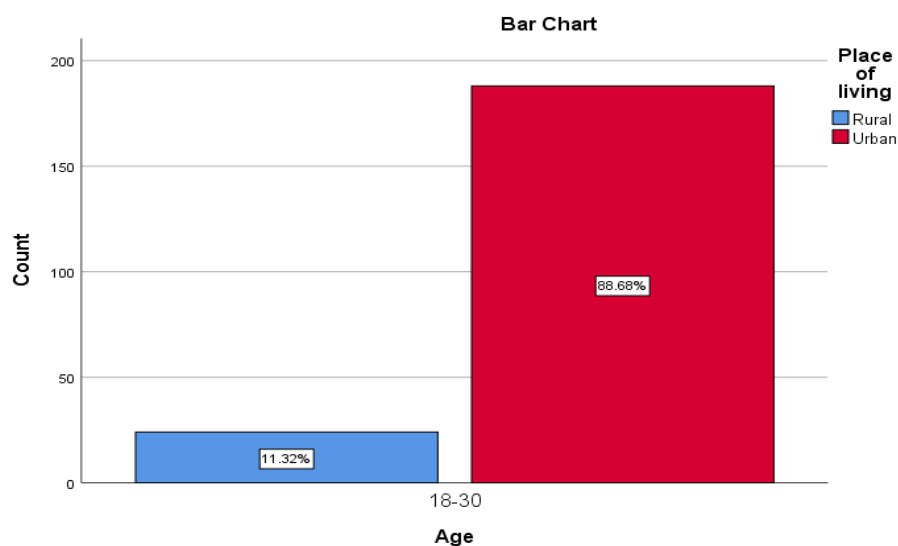


**FIGURE 3**



**Legend :** Figure 3 represents the occupation of the sample population.

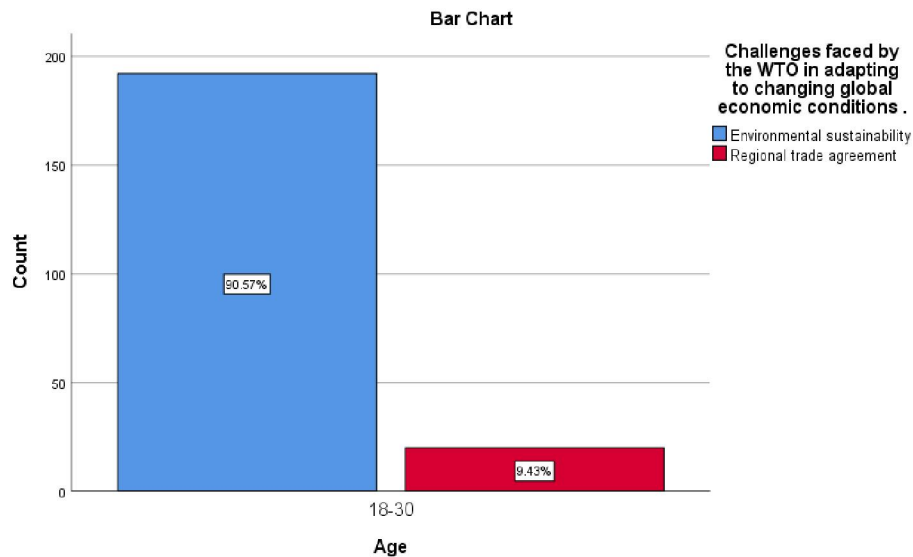
**FIGURE 4**



**Legend :** Figure 4 represents the place of living of the sample population.

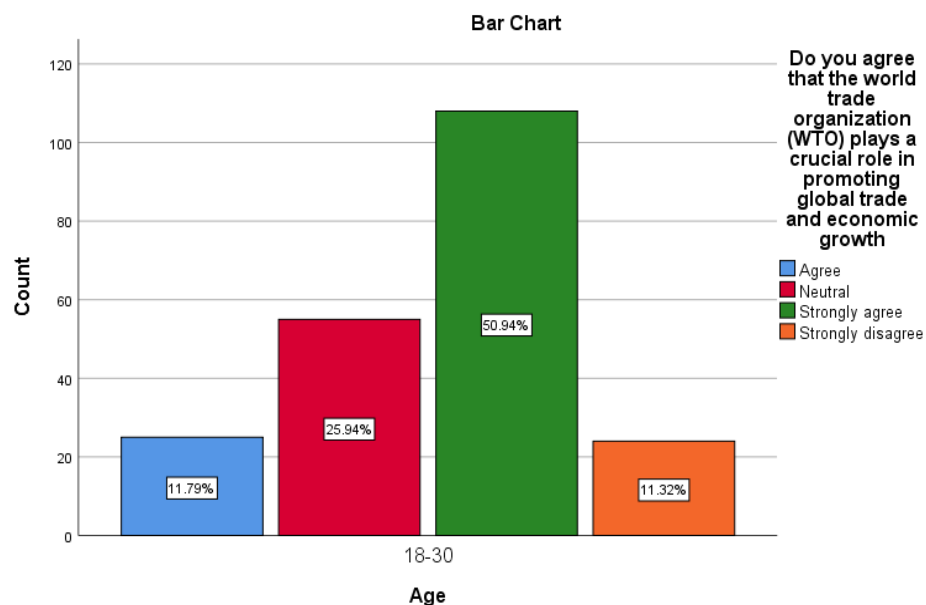


**FIGURE 5**



**Legend :** Figure 5 represents the dependent variable of the sample population

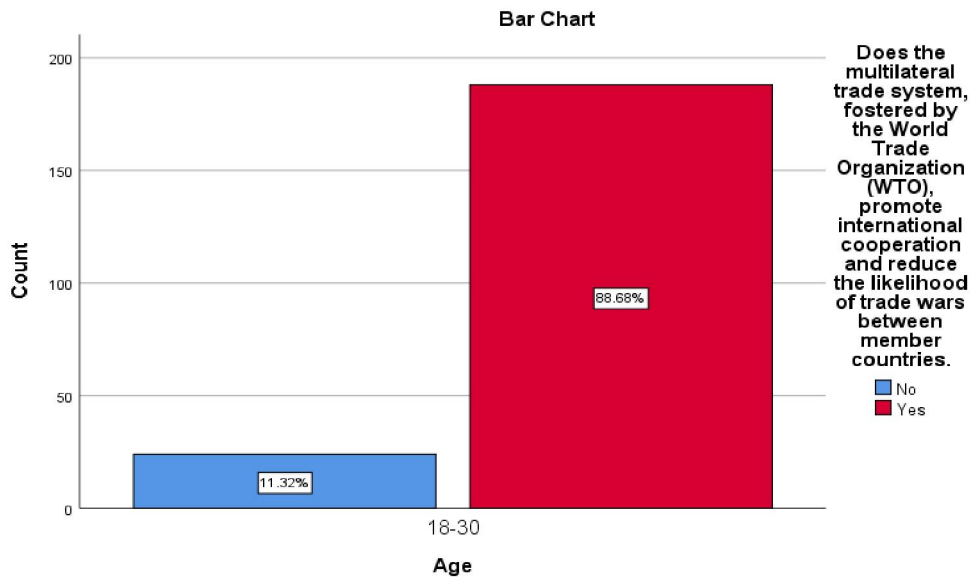
**FIGURE 6**



**Legend :** Figure 6 represents the dependent variable of the sample population.

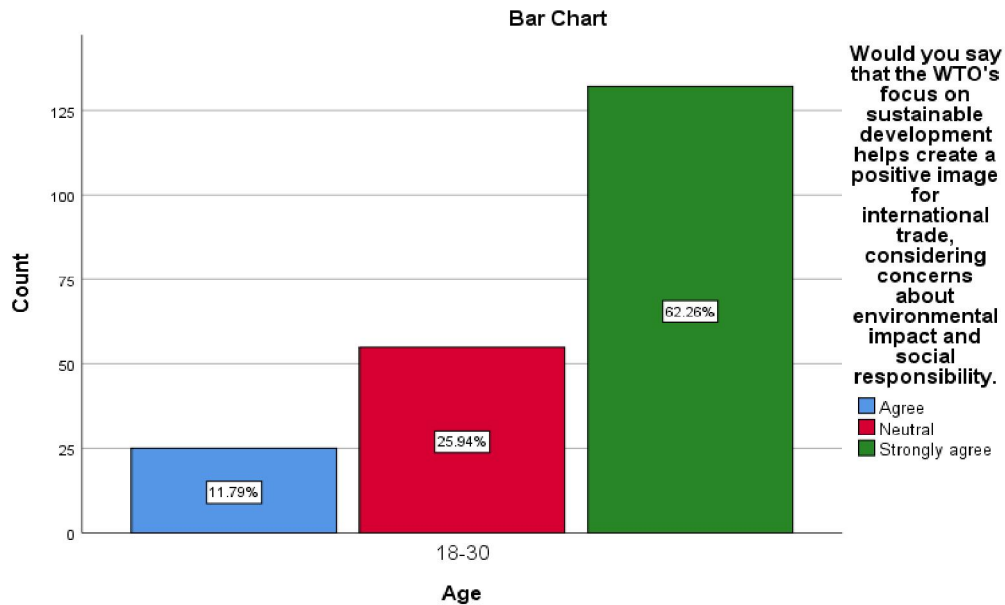


**FIGURE 7**



**Legend :** Figure 7 represents the dependent variable of the sample population.

**FIGURE 8**

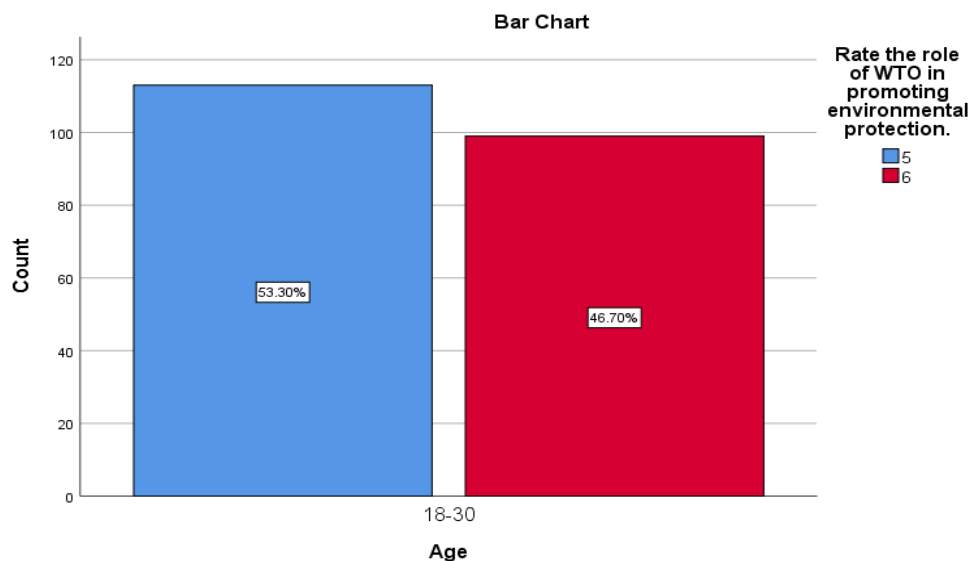


**Legend :** Figure 8 represents the dependent variable of the sample population.





**FIGURE 9**



**Legend :** Figure 9 represents the dependent variable of the sample population.

**FIGURE 10**

**Crosstab**

Count

		Does the multilateral trade system, fostered by the World Trade Organization (WTO), promote international cooperation and reduce the likelihood of trade wars between member countries.		
		No	Yes	Total
Gender	Female	0	42	42
	Male	24	146	170
Total		24	188	212

**Chi-Square Tests**

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	6.686 <sup>a</sup>	1	.010		
Continuity Correction	5.354	1	.021		
Likelihood Ratio	11.332	1	.001		
Fisher's Exact Test				.005	.004
N of Valid Cases	212				

a. 1 cell (25.0%) has an expected count of less than 5. The minimum expected count is 4.75.

b. Computed only for a 2x2 table

**Legend :** Figure 10 represents the Chi-Square Test.





#### IV. RESULTS

**Figure 1** represents the gender of the sample population in that most of the responses are male with 80.19%. **Figure 2** represents the educational qualification of the sample population in that most of the responses are from ug with 90.%. **Figure 3** represents the occupation of the sample population in that most of the responses are from others with 64%. **Figure 4** represents the place of living of the sample population in that most of the responses are from urban areas with 88.88%. **Figure 5** represents the dependent variable challenges faced by the WTO in adapting to changing global economic conditions in that most of the responses were answered for Environmental sustainability with 80.57%. **Figure 6** represents the dependent variable do you agree that the WTO' plays a crucial role in promoting global trade and economic growth in that most of the responses were answered to strongly agree with 50.94%. **Figure 7** represents the dependent variable does multilateral trade system fostered by the WTO promote international cooperation and reduce the likelihood of trade wars between member countries in that most of the responses were answered for yes with 88.68%. **Figure 8** represents the dependent variable would you say that the WTO'S focus on sustainable development helps create a positive image for international trade considering concerns about environmental impact and social responsibility in that most of the responses were answered to strongly agree with 62.26%. **Figure 9** represents the dependent variable rate the role of WTO in promoting environmental protection in that most of the responses were answered for 5 with 53.30%. **Figure 10** represents the chi square test in that the value is 4.75 which is greater than 0.05 so accepting null hypotheses.

#### V. DISCUSSION

**Figure 1** represents the gender of the sample population in that most of the responses are male with 80.19%. Because most people were male in the survey collected area. **Figure 2** represents the educational qualification of the sample population in that most of the responses are from ug with 90.%. Because most of the people were studying under a ug graduation degree alone. **Figure 3** represents the occupation of the sample population in that most of the responses are from others with 64% . Because their options were not given. **Figure 4** represents the place of living of the sample population in that most of the responses are from urban areas with 88.88%. Because I collected responses from the urban area. **Figure 5** represents the dependent variable challenges faced by the WTO in adapting to changing global economic conditions in that most of the responses were answered for Environmental sustainability with 80.57%. Because they were aware of it. **Figure 6** represents the dependent variable do you agree that the WTO' plays a crucial role in promoting global trade and economic growth in that most of the responses were answered to strongly agree with 50.94%. Because they were aware of it. **Figure 7** represents the dependent variable does multilateral trade system fostered by the WTO promote international cooperation and reduce the likelihood of trade wars between member countries in that most of the responses were answered for yes with 88.68%. Because they were aware of it. **Figure 8** represents the dependent variable would you say that the WTO'S focus on sustainable development helps create a positive image for international trade considering concerns about environmental impact and social responsibility in that most of the responses were answered to strongly agree with 62.26%. Because they were aware of it. **Figure 9** represents the dependent variable rate the role of WTO in promoting environmental protection in that most of the responses were answered for 5 with 53.30%. Because they were aware of it. **Figure 10** represents the chi square test in that the value is 4.75 which is greater than 0.05 so accepting null hypotheses

#### Limitations:

One of the major limitations of the study in the sample frame. There is a major constraint in the sample frame as it is limited to a small area. Thus, it proves to be difficult to extrapolate it to a larger population. Another limitation is the sample size was about 200 which cannot be used to assume the thinking of the entire population in a particular country, state, or city. The physical factors have a larger impact, thus, limiting the study.

#### VI. SUGGESTION

Sectoral Analysis: Focus on a specific industry or sector to examine how the WTO has influenced trade dynamics within that sector. For example, you could choose agriculture, automotive, or pharmaceuticals. Analyze how WTO



agreements and rulings have affected trade in that sector, including tariff reductions, non-tariff barriers, and market access. This focused approach can provide valuable insights into the sector-specific impact of the WTO on global trade. And also to Promote Multilateralism, Capacity Building: Transparency, Incentives for Sustainability etc..

### VIII. CONCLUSION

In this study on the impact of the World Trade Organization (WTO) on global trade, we have examined various aspects related to the organization's role and functions, benefits and drawbacks of its multilateral trade system, its contribution to promoting sustainable development, and the challenges it faces in adapting to changing global economic conditions. Firstly, we have established that the WTO plays a crucial role in regulating international trade by providing a forum for member countries to negotiate and enforce trade agreements. we have evaluated the benefits and drawbacks of the WTO's multilateral trade system. While it has contributed to reducing trade barriers and fostering economic growth, it has also faced criticism for its perceived inequities and its potential to favor larger, more powerful economies. Thirdly, we have highlighted the WTO's role in promoting sustainable development. The organization has recognized the importance of integrating trade and environmental concerns and has worked towards aligning trade policies with sustainable development goals. In conclusion, the World Trade Organization remains a vital institution in shaping global trade. It has made significant contributions to reducing trade barriers and promoting economic development. However, it faces ongoing challenges in addressing the needs of all member countries, ensuring sustainability, and adapting to the ever-changing landscape of international trade. The future of the WTO will depend on its ability to address these challenges while continuing to facilitate fair and open global trade.

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