

# GUJARAT TECHNOLOGICAL UNIVERSITY

## MASTER OF BUSINESS ADMINISTRATION

### Year – 2 (Semester – IV) (W.E.F. Academic Year 2018-19)

**Specialization: Elective**

**Subject Name: WTO Multilateral Trading System and its Impact on Business (WMTS-II)**

**Subject Code: 3549289**

**1. Learning Outcome:**

- Basic understanding and working knowledge of the rule based multilateral trading system created by WTO

Understand the rights which the rule based system gives to the business community and the steps which they have to make full use of them.

**2. Course Duration:** The course duration is of **36 sessions of 75 minutes** each.

**3. Course Contents:**

Module No.	Modules / Sub-Modules	No. of Sessions	70 Marks (External Evaluation)
I	<p><b>State Trading and Government Procurement</b></p> <p><b>A. Explanation of the Rules</b></p> <ul style="list-style-type: none"> <li>• Rules governing purchases and sale of goods by state trading organizations</li> <li>• Rules governing procurement of goods by government for its own use or consumption or for use in production of goods or services for sale</li> </ul> <p><b>B. Explanation of the Business Implications</b></p> <p><b>Background Notes:</b> Chapter 10: State trading and chapter 11: Government procurement</p>	7	17
II	<p><b>GATS rules applicable to trade in services</b></p> <p><b>A. Explanation of the rules</b></p> <ul style="list-style-type: none"> <li>• Difference between goods and services</li> <li>• Four modes in which international transactions in trade services takes place</li> </ul>	10	18

	<ul style="list-style-type: none"> <li>• How protection is granted in the service sector</li> <li>• Main Rules of GATS: General obligations: transparency, establishment of enquiry and contact points, mutual recognition of qualifications required for supply of services; rules governing monopolies, exclusive service suppliers and business practices restraining competition.</li> <li>• Rules on liberalization of services: MFN and national treatment, type and nature of obligations which liberalization commitments impose, schedule of commitments, horizontal and sectoral commitments</li> <li>• Description of the sectoral commitments assumed in by countries in the Uruguay Round in financial services, telecommunications, professional services, accountancy services, construction and related engineering services, health related and social services, management consultancy services.</li> </ul> <p><b>B. Explanation of trade benefits and other business Implication</b></p> <p><b>Background Notes:</b> Chapter 12: General Agreement on Trade in Services</p>		
<p style="text-align: center;"><b>III</b></p>	<p><b>Trade Related Aspects of Intellectual Property Rights (TRIPS)</b></p> <p><b>Agreement on TRIPS</b></p> <p><b>A. Explanation of the rules</b></p> <ul style="list-style-type: none"> <li>• Intellectual Property Rights (IPRs) and their implications for international trade, WIPO Conventions on IPRs, factors which influenced Agreement on TRIPS being negotiated in WTO.</li> <li>• Structure of the Agreement, Basic principles and general obligations, minimum standards, including those for duration of patents, copyright and other related rights, trademarks and industrial designs, enforcement provisions.</li> </ul> <p><b>B. Explanation of the business implications</b></p> <p><b>C. Background Note:</b> Chapter 13: Trade Related Aspects of Intellectual Property Rights</p> <p><b>WTO System For Settlement Of Disputes</b></p> <p><b>Main features of the system</b></p> <p><b>A. Explanation of the rules of the system</b></p>	<p style="text-align: center;">10</p>	<p style="text-align: center;">18</p>

	<ul style="list-style-type: none"> <li>• Dispute settlement body</li> <li>• Importance of consultations and conciliation before bringing the case to the Dispute Settlement Body</li> <li>• Panels, Appellate Body</li> <li>• Consideration of the report by Dispute Settlement Body</li> <li>• Implementation of the reports</li> <li>• Provisions for compensation or retaliatory action in cases where the country in breach of the obligations refuses to withdraw the offending measure</li> </ul> <p><b>Explanation of the Business Implications</b> Role which business plays in bringing to the attention of the government, cases where rules are not being followed by the Governments of countries where it is marketing the products.</p> <p><b>C. Background Notes:</b> Chapter 14: WTO system for settlement of disputes</p>		
IV	<p><b>WTO as a forum for negotiations</b></p> <p><b>A. Background and description of the rules relating to the launching of negotiations</b></p> <ul style="list-style-type: none"> <li>• Description of the nine rounds of negotiations held since the establishment of GATT</li> <li>• Rules relating to conduct of negotiations and exchange of concessions for liberalization of trade: the concept of reciprocity</li> <li>• How negotiations on rules making take place</li> <li>• Economic and political factors which influence the decision to launch the round and the period taken for its completion</li> <li>• Overview of the developments in the present ongoing Doha Development Round of Negotiations since they were launched in 2001 and the present stage of play</li> <li>• Overview of the institutional framework which developing countries have adopted for building common negotiating positions in their negotiations with developed countries</li> </ul> <p><b>B. Business Implications</b> Role of industry and business in advising the government on the negotiating approach it could adopt that would help them in improving their competitive position in international market and</p>	9	17

	create conditions that are conducive to promotion of further economic developments.  <b>Background Notes.</b> Chapter 14: How Negotiation Take Place in WTO and its Annex.		
V	<b>Practical:</b> The student shall prepare a brief Report and Presentation on how some of the WTO Rules mentioned above have impacted an industry or business preferably in India or any other country of student's residence or choice for study purpose with a concrete example.	---	(30 marks CEC)

#### 4. Teaching Methods:

The course will use the following pedagogical tools:

- Lectures
- Case Discussions and Role Playing
- Audio-visual Material (Using CDs/Clippings/ online videos)
- Assignments and Presentations

#### 5. Evaluation:

The evaluation of participants will be on continuous basis comprising of the following elements:

<b>A</b>	Continuous Evaluation Component comprising of Projects / Assignments / Quiz / Class Participation / Class test / Presentation on specific topic etc.	(Internal Assessment- 50 Marks)
<b>B</b>	Mid-Semester examination	(Internal Assessment-30 Marks)
<b>C</b>	End –Semester Examination	(External Assessment-70 Marks)

#### 6. Reference Books:

Sr. No.	Author	Name of the Book	Publisher	Year of Publication
1	Mr. Vinod Rege, Former director of WTO	The Business Guide to the World Trading	International Trade Centre and the Commonwealth Secretariat, Geneva	Latest Edition
2	Patros Mavrodis	Trades in Goods: The GATT and the Other Agreements Regulating Trade in Goods	Oxford University Press	Latest edition

3	Mitsun Matsunshila, Thomas J Schoenbhaum, Petros Maveroidis, Michael Hatin	The World Trade Organization, Law, Practice and Policy	Oxford	Latest edition
4	Bernard M. Hoekman and Michael M. Kosteki	The Political Economy of the World Trading System	Oxford	Latest edition
5	Vinod Rege	Negotiating at the WTO	Lessons from the Commonwealth Series	
6	Vinod Rege	“Opportunities and Obligations” New Perspectives on Global and US Trade Policy	Kluwer Law International	

Note: Wherever the standard books are not available for the topic appropriate print and online resources, journals and books published by different authors may be prescribed.

#### **7. List of Journals / Periodicals / Magazines / Newspapers, etc.**

1. The Results of the Uruguay Round of Negotiations: The legal Texts Contains all WTO legal instruments
2. WTO Analytical Index, 2 volumes, 3<sup>rd</sup> Edition: Guide summarizing by provisions in the legal texts the decisions and findings of the Panel and Appellate Body
3. Understanding the WTO: What it is, why it was created, how it works and what it does
4. A Handbook of Anti-dumping Investigations
5. Handbook on the WTO Dispute Settlement System
6. WTO Dispute Settlement: one page case studies (1990-2010)
7. Handbook on the WTO TRIPS Agreement