



PUBLIC FORUM '15

PUBLIC FORUM THEME

TRADE WORKS

Trade works! This is an indisputable fact.

Trade fosters growth, development and poverty reduction. It helps developing and least-developed countries integrate further into the global economy. Trade also promotes investments and innovation. It allows countries to design public health and environment protection policies. It protects intellectual property. It contributes to building better synergies between countries' production needs and agriculture capacity.

Trade works for the most vulnerable, for women from poor and marginalized communities, leading to improvements in their lives and livelihoods. Trade can play a role in reducing inequalities by cutting the cost of living. The prices on food or clothing are affected by trade policies. And above all, trade works because it provides political and economic stability, as Alexis de Tocqueville wrote in his book *Democracy in America*: "Trade is the natural enemy of all violent passions".

But not all countries are on an equal footing. Some of them do not have a seat at the development table.

What makes trade work for some countries and not for others? How have some countries figured out the "trade recipe" and others not? In today's world, numerous globalized risks impede trade: climate change, protectionism, the energy crisis, geopolitical instability, the persistence of the global economic crisis, financial deregulation. But what happens at national and regional levels? How can countries be helped, via trade, to fit in the global economy? Are there tailor-made solutions or is there only one formula for all?

These are key questions for **developing countries**. How can they use trade policies for structural reform or for boosting their exports? What do they need to do to reap the gains of trade? Can trade work alone?

Globalization favoured the expansion of export-oriented industries, leading to changes in the global market, now structured in **global value chains**. As a result, new markets are opening up. New technologies have also changed the global market. How can countries – developing or developed – rise up the value chain?

Which tools can they use in order to foster exports of higher value finished goods instead of low-value commodities exports? Which policies should be used to encourage the creation of innovative products? Is this the best road to greater shared prosperity?

Trade also works because it is **rules based**. It allows countries to play the global economic game using the same rules. The existence of multilateral trade rules provides an important safeguard for all WTO members. As we celebrate the WTO's 20th anniversary, one question remains unanswered: what is the future of the Organization?

In sum, trade creates opportunities, but countries need to know how to maximize them and integrate them into their economic and social policies.

The Public Forum 2015 will provide an opportunity to share ideas on all these topics.