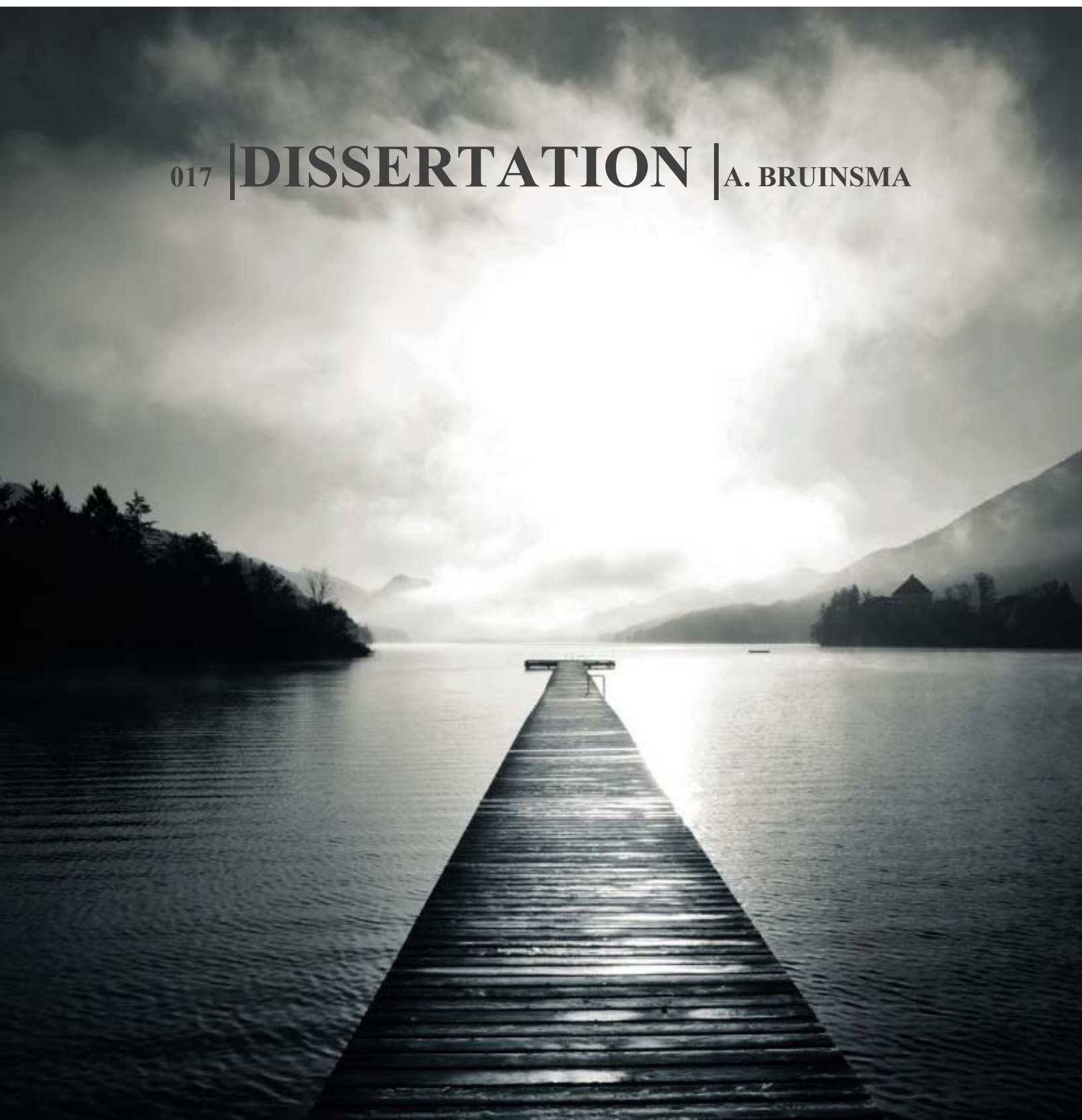




017 | **DISSERTATION** | A. BRUINSMA

**THE EFFECT OF TRADE OPENNESS ON THE
POLITICAL POWER OF INDIVIDUAL STATES**

THE HAGUE UNIVERSITY OF APPLIED SCIENCES

ACADEMY OF EUROPEAN STUDIES & COMMUNICATION MANAGEMENT

DISSERTATION

THE EFFECT OF TRADE OPENNESS ON THE POLITICAL POWER OF INDIVIDUAL STATES

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sharing their insights:

Industry representative: employee of the World Trade Organization

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Executive summary

The aim of this dissertation is to analyze whether non-state actors, in the form of international governmental organizations, make states irrelevant within the global political arena. There has been a shift in the division of power in the political sphere as a result of trade openness. Indeed, international organizations (IO), such as the World Trade Organization (WTO), have significantly reduced the political power of individual states. Due to the rapid growth of supranational organizations, states must balance and rebalance their defense of national sovereignty.

Through an analysis of the existing literature, four in-depth interviews and a social survey, the impact of trade openness on the political power of individual states is analyzed. The literature review demonstrates that realism and liberalism have developed on opposites of the theoretical spectrum. While realists generally perceive trade openness and international cooperation negatively, liberals view trade openness quite differently. Realists believe that a state should always be absolute and have supreme authority over everything. As such, realists view it as destructive when a state relinquishes a portion of their authority to a supranational organization. Conversely, liberals believe supranational organizations make it possible to stabilize the international system's anarchic environment. As the interviews confirm, organizations such as the WTO create a platform whereby states can establish a basic set of rules to create a more peaceful international environment. Furthermore, the WTO is able to settle disputes in a neutral way, ultimately settling such issues before they become conflicts between different nations.

Countries that tend to conduct politics using a realist approach have seen their political powers significantly reduced by the WTO's liberal approach. This is especially the case for countries that try to protect their domestic markets through the obstruction of foreign competitors; These countries often find themselves in positions where their individual political power has been reduced. However, it is necessary to determine whether this means that the state has become irrelevant. In a number of ways, supranational organizations design the structure of the international system. Nevertheless, these organizations are driven by the states who have created them. The dilemma that arises here, then, is that the existence of IOs is entirely a result of the states' demands. Indeed, states create the IO and design the authorities of the IO. Therefore, states collectively agree to relinquish a portion of their sovereignty.

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Introduction

Due to globalization power has shifted within the political sphere, there is a transit to a new division and balance of power between different political actors (Cederman, 1997). According to Keohane and Nye (1977) “the new world overlaps and rests on the traditional world” where states that are geographically dependent share power with non-governmental organizations. Every international treaty that is established, is a commitment made by the signatory states and considered to be binding. These treaties constrain domestic political sovereignty, no matter if it pertains to human rights, the law of the sea, nuclear disarmament or nuclear non-proliferation, trade or the environment. The loss of state sovereignty due to international agreements is a price that states must pay in a world where nations collectively agree to cooperate when addressing issues that entail ramifications beyond their exclusive territories (Trebilcock & Howse, C2005). In a globalized world, where there is a significant increase of economic and technological integration, countries must defend their national sovereignty against IOs and their authority over economic and social policy (Barfield, 2001).

The oldest form of international relations is trade, the act of exchanging goods and services between societies. On the one hand, international trade or trade openness yields benefits; For example, the provision of jobs (Cobden (Stringham, 2004)), an increase in the diversity and quality of consumer goods and services (Jean-Baptiste Say, 2011) (Mill 1844 - Economic), the promotion of efficiency (Smith, C2007) and the diffusion of technology (Mill, 1844 – Economic). On the other hand, however, international trade may destroy the national industries (List, 1991), it threatens the culture and identity of the nation (St. Thomas of Aquinas (Stanford.edu, 2016)) and it promotes the displacement of workers (Hans Morgenthau, 1948). The polemics generated against international trade make it one of the most important issues in contemporary international affairs.

The rapid increase of transnational social and environmental standards which are developed by non-state governance systems challenge the sovereignty of individual states (Bernstein & Hannah, 2008). Every state that applies to become a member of the WTO has to adopt the obligations that membership entails. Similarly, every state that has become a member has voluntarily chosen to comply with these obligations. Therefore, the structure of the WTO can be interpreted as a quintessential form of government, who has the consent of the member states to govern (Trebilcock & Howse, C2005). The WTO’s website (2016) explains that member states authorize the WTO to review the policies of their member states and lay out sanctions if the policies are found to be in violation of the rules and regulations set forth by the WTO. From the WTO’s database (2016), it can be seen that the organization has used this authority in the past and have

forced member states to adjust or annul their trade policies. This can be troublesome for states, since they have lost the final say over the policy making process within their own territories.

A hallmark of realists such as Hans Morgenthau (1948), Kenneth Waltz (1979) and Thomas Hobbes (1968) is the pessimistic approach whether international cooperation is possible or not. From the realist perspective, the ruling of the WTO is seen as an unacceptable deterioration of state sovereignty. The realists fear that governments will be undermined by the WTO and that states will compromise their ability to rule their domestic economy. Indeed, the fact that the WTO reviews governments' policies and has the authority to declare these policies as 'impermissible' means that states cannot ultimately determine the formation of their policies and regulations (WTO, 2016). Hans Morgenthau (1948), for example, is skeptical towards the idea of universal principals and for this reason, he has warned state leaders that they should not sacrifice their own self-interest to maintain a relationship with other nations. Hobbes (1968) and Bodin (1896), moreover, are of the opinion that sovereignty is the distinguishing trait of the state and that the state should always be the primary actor. They elaborate upon this by claiming that the sovereignty of the state should always be absolute and that the state should have complete authority over everything (Hobbes, 1968) (Bodin, 1896). Thus, in the case of the WTO, the sovereignty of the state has been compromised and, according to realists, this is unacceptable.

Contrary to Morgenthau (1948), Hobbes (1968), Machiavelli (2007) and Kissinger (2014), Grotius induced liberals to believe that there is indeed, one universal standard of morality that can measure the behavior of states (Jeffery, 2006). Thus, the liberal perspective is at odds with realist perspective. Liberals' more optimistic perception encourages relations between different societies. David Ricardo (1965) has noted, within his classical work the principles of political economy and taxation, that it is important for states to participate in international trade. Domestic economies have limited resources, which create a conflict of interest; Participation in the international economy, however, contributes to the growth and expansion of domestic economies. International trade benefits states by providing them with the opportunity to export domestic products in which the state has a comparative advantage (Ricardo, 1965). Kant (1991) has indicated that when the right ingredients are present within the international environment, a "pacific union" can be established; In this process, institutional requisition is inevitable.

The aim of this dissertation is to discuss and analyze the effect of trade openness on the political power of individual states. To realize this aim, the establishment of the World Trade Organization and the increase of globalization that came along, will analyzed by a comparison of International Relations theory of realism versus liberalism and their view on political power and the state sovereignty in relation to trade openness, and in particular in the case of the World Trade Organization.

These two approaches are used because they have been developed on opposite sides of the theoretical spectrum (Landman, 2008). Because these approaches are so different, they provide an interesting view of the empirical reality of the position of international governmental organizations (IGOs) in politics. Furthermore, it provides the comparative character of this dissertation.

This dissertation attempts to determine the extent to which trade openness has affected the state sovereignty of individual states by analyzing this concept through two different international relations theories. Thus, the research question is as follows:

*Are international governmental organizations, such as the WTO,
making states irrelevant within the global political arena?*

Research objectives

In order to answer the central research question, four research objectives were created to enable a systematic evaluation:

1. *Investigate* trade openness and with regard to the traditional international relations theories, realism and liberalism
2. *Examine* the impact of trade openness, due to the establishment of the WTO, on the political power of individual states
3. *Explore* the opinions of high-level political representatives, industry representatives, civil servants and other relevant stakeholders, as well as their positions towards the impact of trade openness on the sovereignty of the state
4. *Evaluate* the extent to which IGOs, such as the WTO, make individual states irrelevant within the global political arena due to trade openness.

Content outline

To meet each objective systematically, the structure of this dissertation is as follows:

Chapter one provides a review of the relevant literature in order to establish a basic understanding of the subject for the reader. In addition, this chapter focuses on addressing the first two research objectives. The following chapter details the methodology used for the present research and explains the chosen strategies. The research methods are a combination of qualitative (interviews, survey) and quantitative approaches (desk research). Chapter three concerns the research findings, including all of the data that was collected. This chapter addresses the third research objective. In order to meet the fourth and final objective, Chapter four analyzes and discusses the research findings. Finally, the conclusion chapter summarizes the findings and provides an answer to the main research question. Additionally, there is a section within the conclusion that provides a number of recommendations.

CHAPTER 1

LITERATURE REVIEW



ACADEMIC DEBATE ON THE
EFFECT OF TRADE OPENNESS ON
THE POLITICAL POWER OF
INDIVIDUAL STATES

Chapter 1: Literature Review

The literature review has two purposes: Firstly, it aims to provide the reader with a basic understanding of the subject, and secondly, it contains a review of the literature that is relevant to the subject. Moreover, this chapter focuses on the research objectives one and two.

This chapter is divided into five sections: The first section focuses on sovereignty itself and the meaning of this concept within the international relations (IR) theories realism and liberalism. The second section concerns international politics and both realists' and liberals' views on this topic. Subsequently, the third section briefly explores the development of international trade and the virtues and vices that have accompanied this concept. The fourth section presents the realism and liberalism movements' perceptions on the concept of IOs. The fifth and final section of the literature review focuses on the World Trade Centre; The sections begins with a general description of the WTO and its legal framework and finishes by examining a case of the US.

1.1 Sovereignty

The complexity of sovereignty is what makes it one of the most difficult concepts to define within the realm of political science. Although sovereignty is such a complex concept, states' sovereignty has become a primary subject in modern political debate. Political philosophy researcher, Daniel Philpott (1995), has explained that throughout history, the concept of sovereignty has had the signification of supreme legitimate authority, reflecting one or another political philosophy within a given time period. However, sovereignty is always connected with an adjective. To be more precise, there are three adjectives that are important when trying to understand the varieties of sovereignty. Daniel Philpott (1995) and Alan James (1986) elaborate on this by explaining that the first adjective is the one that describes the holder of sovereignty. This can be interpreted in different ways; For example, the monarch should have the supreme power (Machiavelli's version, 1893), or in a triumvirate, or the people (Rousseau's versions, 1913), or a body of law (Philpott, 1995).

According to Daniel Philpott (1995) and Alan James (1986), the second pair of adjectives are 'internal' and 'external'; These adjectives should be interpreted as complementary rather than distinct types of sovereignty. In other words, they are coexisting aspects of sovereignty. Within a geographically bounded territory, supreme power implies that the supreme authority has both complete power and control over the inhabitants of the land, as well as complete independence "from unwanted interventions by an outside authority" (Philpott, 1995). This statement can be divined in different ways through different political

theories. For example, for realists, the definition of sovereignty focuses more on the internal rather than the external. The external part is obviously linked, however for realists sovereignty means independence. Hans Morgenthau (1948) has defined sovereignty as “non-interference by external powers in the internal affairs of another state.” While for liberals, internal and external are more coherent. John Locke has exemplified this in his book “Two Treatises of Government” (1823) through the tradition of the social contract¹, in which he states that the individual is the antecedent to society and that this does not get limited by geographical boundaries.

Finally, sovereignty can be divided into absolute and non-absolute (James, 1986). At first, this may seem to be an exceedingly strange distinction. Indeed, one might question how a supreme, sovereign authority can be anything less than absolute. However, in the sense of this distinction, it is not the quality or the magnitude of sovereignty to which the concept of absoluteness is being referred, rather to the range of affairs over which the sovereign maintains supreme control; For example, whether the sovereign has supreme power over all matters or only over a small number of matters. In the cases in which absolute sovereignty does not apply, authority is often shared with international law or institutions (Philpott, 1995).

For example, the government of the Netherlands has supreme power over foreign policy, but not over trade policies, since this is partly governed by the European Union, the WTO and other IOs. Therefore, the sovereignty of the Netherlands’ government is non-absolute. Hobbes (1968) and Bodin (1896), however, believes that sovereignty entails complete authority over everything and that sovereignty should be absolute. Hobbes (1968) has explained that the political purpose of the sovereign state is based on the relation between protection and obedience, which forms the establishment of order. Moreover, in his theory, Hobbes (1968) has stated that the sovereign provides security and in return, citizens offer allegiance and obedience. This theory emphasizes that sovereignty is at the center of authority; It is the origin of the creation of law and the main source of security on both the individual and collective level. Due to the subjection of the citizens to a common ruler and to a common law, the citizens are bound together, whether this is for security reasons or for liberty (Devetak & Higgott, 1999).

This realist perspective of sovereignty is further emphasized by Andrew Linklater (1998) when he claims that governance is only possible when there is sovereignty. More importantly, according to Andrew Linklater (1998), where sovereignty is absent, governance is precluded. However, this only refers to the realist perspective of sovereignty: That the exclusively political space within the modern political life is

¹ “A device used by a number of political thinkers to justify a particular form of state. It is conceived as a voluntary agreement that individuals make in a state of nature, which is a society before government is set up.” (Garner, Ferdinand & Lawson, 2012)

ruled by one single center of decision-making, which has supreme power and claims to represent and govern the political community.

Contrary to realist beliefs, classic liberals such as Rousseau (1913), Locke (1823) and Mill (1859), believe that the individual comes prior to the society. Unlike Machiavelli and Hobbes (1968), who claim that there should be one ruler with supreme authority. A concept that is central to the theory of liberalism is the liberty of the individual, or as Goodwin (2007) has stated, “the primary value in the liberal creed.” However, how this concept is implemented differs slightly among several liberal approaches. For example, for John Stuart Mill (1859), the value of the concept of liberty is contained within the possibilities that it entails for self-development; In other words, the state should not have the right to intervene in any aspect of the individual’s life and through this limit, the liberty of this individual.

The importance of absolute sovereignty is significantly higher for realists, whereas liberals believe that a non-absolute sovereignty is preferable.

1.2 International politics

The origins of the realists’ paradigm on international politics can be traced back to the classical world. In particular, the first depiction of power politics can be found within the “History of the Peloponnesian War” from Thucydides (1954). These ideas were then improved upon more than a millennium later by the German émigré, Hans Morgenthau (1948). Both men strongly believe that politics is charged with dangers due to the deep ingrained distrust of man towards ‘the other.’ Thomas Hobbes (1968) has reached a similar conclusion in his book “Leviathan,” in which he uses the phrase “*bellum omium contra omnes*” (war of all against all) to describe human nature. Encouraged by Thucydides and Hobbes, and as a result of his personal experience in the First and Second World War, Hans Morgenthau (1948) developed his tragic and pessimistic view of international politics. The work of Morgenthau (1948) attempts to discourage all from considering ethics when creating foreign policy, because he believed that universal morals do not exist within the international system. Henry Kissinger (2014), another German émigré, was as skeptical as Morgenthau concerning international politics. Both Kissinger (2014) and Morgenthau (1948) as well as Hobbes (1968), Machiavelli (2007) and Thucydides (1954) have a negative perception towards international politics because they believe that it is an everlasting struggle for survival and power. Due to the fact that fear controls the struggle for survival and power, the results tend to be suffering and pity. I believe that this is what drives most classical realists to use the tragic metaphors of the Greek when addressing the nature of international politics.

Similar to realism, the origins of liberalism can be traced back to the classical world. For example, one of the first theorists that is known to have written about international law is Grotius (Jeffery, 2006). However, unlike Thucydides, Grotius (Jeffery, 2006) mainly emphasized the potential of constraining effects that could pertain to the behavior of the state. Furthermore, researcher Renée Jeffery (2006) has explained that Grotius is known for the system he developed, which could determine the cause of war (*jus ad bellum*) and that could conduct in war (*jus in bello*). The theory of Grotius, according to Jeffery (2006), can be seen as a liberal theory which supposes that states, just like individuals, are ‘sociable.’ To be more precise, this means that a majority of states are believed to have a sense of obligation, which is deeply rooted according to Grotius, towards creating and respecting the rules of international society (Jeffery, 2006). This deeply rooted sense of obligation comes from the nature of man, which according to Grotian IR theory scholar, Claire Cutler (1991), refers to the idea that human beings are naturally social and rational creatures. As previously mentioned, contrary to Morgenthau (1948), Hobbes (1968), Machiavelli (2007) and Kissinger (2014), Grotius induced liberals to believe that there is indeed, one universal standard of morality that can measure the behavior of states (Jeffery, 2006).

Similar to Grotius, Kant (1991) is convinced that the behavior of states is not inevitably subject to the Hobbesian dynamic, which is the main belief of the majority of realists. According to Kant (1991), who can be seen as one of the principal thinkers of the Enlightenment period, it is possible for a state to bring perpetual peace to another state, even though the international system is an anarchic environment. Indeed, “a republic constitution, conditions of universal hospitality and a federation of free states” form the main ingredients according to Kant (1991). Interpreting these ingredients into present society, it can be said that Kant (1991) believed that the combination of 1) a democratic state, 2) economic interdependence and 3) IOs, are necessary to accomplish what he would refer to as a “pacific union.”

The universal belief among liberals, with regard to the international system and the distribution of power, can be seen as less determinative in relation to international outcomes than has been suggested by realists. In opposition to the pessimistic view of realists, the liberals have a friendlier perception of human nature. Most importantly, liberals believe that international institutions are of consequence, regardless if this are IOs (Kant) or international law (Grotius). Liberalists such as Kant (1991) and Locke (1823) believe that internationalization is a positive development, unlike realists such as Morgenthau (1948), who are convinced of the contrary.

1.3 International trade

Barfield (2001) has indicated that in a world which is increasingly internationalizing and where there is a significant increase in economic and technological integration, countries must constantly defend their national sovereignty against IOs as well as their authority over economic and social policies. Before analyzing the theoretical and empirical literature that concerns the perspectives of realism and liberalism on international trade, this dissertation first addresses a problem which many researchers face today: the lack of clear definitions for the terms ‘trade liberalization’ and ‘trade openness.’ Although the two concepts are strongly connected to one another, they are not entirely identical. The complexity of these concepts becomes more apparent when attempting to define their differences. Pigka-Balanika (n.d.) has indicated that an increase of openness can be, but is not necessarily, the result of trade liberalization. Currently, the definition of ‘openness’ and ‘free trade’ have become identical: It is believed that ‘trade openness’ and ‘free trade’ are concepts in which all trade distortions are eliminated (Pigka-Balanika, n.d.). Pritchett (1996) has elaborated on this by defining ‘trade openness’ as a trade intensity with an economic character. However, Kyrre Stensens (2006) has defined ‘trade openness’ with a connection to barriers of international trade which are imposed by governments. Thus, it is apparent that while all of the given definitions are somehow linked to one another, they are not identical. For present purposes, however, this dissertation only focuses on the concept of ‘trade openness,’ defined as follows: combined with the definition that trade openness has a connection to barriers of international trade which are imposed by governments.

Trade and trade issues are nothing new; Indeed, both concepts can be traced back to the ancient and medieval worlds. When analyzing the influential works of the Greek and Roman philosophers Plato (2013), Aristoteles (2011) or Plutarch (Standford.edu, 2016), the first mention of the virtues and vices of foreign trade can be found. During this period of time in history, a majority of philosophers were not in favor of international trade. Although the arguments that are represented within these works do not primarily concern economics, they repeatedly recur, in one form or another, during contemporary debates on trade. For example, during the mercantilist time period, Friedrich List (1991) argued that the start of political economy should presume that the relationship between states is always inherently conflictual, and moreover, that a world with free trade should be seen as a “very unnatural one.” However, during the eighteenth century there was a significant shift in ideas that concerned trade. The influential work of Adam Smith (C2007) on the liberal political economy replaced the dominant theory of mercantilism. Political researchers Michael Trebilcock and Robert Howse (C2005) have explained that mercantilism is driven by two factors: “1) to maintain a favorable balance of trade, and 2) to promote the processing or manufacturing of raw materials at home, rather than importing manufactured goods” (Trebilcock & Howse, C2005). This meant that import policies were restrictive, while export policies were aggressive (Trebilcock & Howse,

C2005). At the forefront of the gaps within this theory is the explanation on how foreigners could pay for the imported goods without having the opportunity to gain something by exporting theirs. According to List (1991), imported goods can disrupt the production of domestic goods and employment.

David Ricardo (1965) and Adam Smith (C2007) have both argued in favor of international trade and both advocated that governments should use a *laissez-faire* approach² with regard to the economy (this also includes international trade). Especially with the development of the theory of comparative advantage, the discontent of philosophers such as Ricardo (1965) resulted in explanation of the damages that mercantilism can cause to states, as a result of the promotion of inefficient industries. Political researchers Balaam and Veseth (1996) have explained the theory of comparative advantage as follows: “nations should produce and export those goods and services in which they hold a comparative advantage, and import those items that other nations can produce at a lower cost” (Balaam & Veseth, 1996).

On the one hand, international trade or trade openness yields a number of benefits; For example, the provision of jobs (Cobden (Stringham, 2004)), the increase of diversity and quality of consumer goods and services (Say, 2011) (Mill, 1844 - Economic), the promotion of efficiency (Smith, C2007) and the diffusion of technology (Mill, 1844 – Economic). On the other hand, however, international trade international trade may destroy the national industries (List, 1991), it threatens the culture and identity of the nation (St. Thomas of Aquinas (Stanford.edu, 2016)) and it promotes the displacement of workers (Hans Morgenthau, 1948).

The hallmark of realists such as Morgenthau (1948), Waltz (1979) and Hobbes (1968) is the pessimistic approach towards whether or not international cooperation is possible. In a world that is described as anarchic by realists, Hobbes (1968) believes that there should be a ‘leviathan’ who enforces rules and controls society, including the international environment. Waltz (1959) has substantiated this vision by stating that the principle interest of states is security, providing security to the state and the people who live within it. Therefore, states must seek power to ensure their own survival. That the own survival of the state has a dominant position in the realists approach, only get underlined in the explanation of historian Freidrick Meinecke (1957) about the fundamental principle in International Relations, which is ‘*raison d’etat*’.³ Meinecke (1957) interprets that “it tells the statesmen what he must do to preserve the health and strength of the state.”

² The economic expression, *laissez faire*, is in favor of the freedom of production and trade without the interference of the government (Encyclon.nl, 2016).

³ “A purely political reason for action on the part of a ruler or government, especially where a departure from openness, justice, or honesty is involved.” (Oxforddictionaries.com, 2016)

The well-known political scientists Bruce Russett and John O'Neal (1997) have explained that the classical work of liberals promote the increase of prosperity and liberty. Furthermore, they desire to empower the commercial class, and moreover, abolish the royal characters, monopolies and the policies with a protective character of mercantilism (Russett & O'Neal, 1997). Smith (C2007) has explained that through this approach, they hope to increase productive efficiency and to encourage entrepreneurship. Contrary to the realists' approach, liberal Locke (1823) believed strongly in the liberty of the individual. For Locke (1823) as well as Smith (C2007) and Malthus (1906), it was important that the individual be able to control their own labor. The classical work of Locke, which is primarily focused on the individual and its liberties, was extended by North (1907) and Smith (C2007), who concluded that money, trade and interest rates should not be made, controlled or restricted by the government.

1.4 International organizations

Before discussed the role and utilities of IOs⁴ with in international politics, it is necessary to define this phenomenon, or as Economic Elinor Ostrom (1986) once explained it: "No scientific field can advance for, if the participants do not share a common understanding of the key term." Therefore, it is necessary to come to a consensus on the definition of 'international organizations.' The International Law Commission have defined IOs as "an organizations established by a treaty or other instrument governed by international legal personality" (Klabbers, 2015).

International organizations have obtained a central position within international relations. As Hurd (2013), a scholar of the politics of international law at North-western University, has claimed: "as interdependence increases, the importance of IOs increases with it. We find IOs in one form or another at the heart of all of the political and economic challenges of the twenty-first century." Even though IOs and their position within the international system are relatively new, these IOs and their presence have formed international relations and particularly, the way in which different actors carry these out. Researchers Scharf and Williams (2013) have noted that these organizations often make the rules for how states and non-state actors should behave within the international system. It is important to note that every international agreement that is established is a commitment made by the signatory states and thus, are effectively binding (Trebilcock & Howse, C2005).

Realists such as Machiavelli (2007) believe that states only pursue their own interests and that IOs can be seen as groups of states that are only driven by their own interests. As previously mentioned, Morgenthau

⁴ International organizations are hereafter referred to as IOs.

(1948) strongly believes that politics is charged with dangers due to the deep ingrained distrust of man towards 'the other,' which emphasizes the perception that states only participate in IOs to pursue their own interests. Conversely, the liberal point of view believes that states in IOs pursue a collective interest. Heywood (2011) has critiqued this liberal view by stating that "power politics operates in and through IOs, which are viewed more as appendages of the state-system, or simply as instruments controlled by powerful states, and do not constitute a separate realm." Based on his early assumption, Morgenthau (1985) has argued that "governments are always anxious to shake off the restraining influence that international law might have upon their foreign policies, to use international law instead of the promotion of their national interests." From a more logical assumption, John Mearsheimer (1994) and Joshep Grieco (1988) have claimed that there are relative-gains in IOs and that they translate these benefits of cooperation into military advantages. Joanne Gowa (1994) has reacted to this logic, stating that it is much more likely that allies will trade bilaterally instead of multilaterally, especially when they are uncertain as to who are their allies and enemies.

Assuming that IOs provide gains, Lloyd Gruber (2000) has mentioned that gains are only made for the powerful states. In his view, it is often seen that powerful states have the ability to force others to adjust or comply to something, which results in worse situations for the 'weaker' states than before the agreement (Gruber, 2000). Realists such as Max Weber (1948) and Lloyd Gruber (2000) believe that states will only act in their own best interest. However, liberals such as Kant (1991) believe that within the international system, non-state actors are highly important. Of course the state is of import, however, according to Kant (1991), the individual actors are more important within international systems than the state.

This can all be traced back to the discussion on state of human nature and whether humans are really only capable of acting in their own self-interest or whether a sense of responsibility can drive human to work towards a collective goal. In order to answer this question, the next sub-section analyzes an IO, the WTO.

1.5 World Trade Organization

The WTO was established in 1995 (WTO, 2016). Gallagher (2005) has explained that the main objectives of the WTO are "to oversee international trade rules, organize trade negotiations, enforce free trade agreements, and settle trade disagreements between member countries." Appleton and Plummer (C2005) have further indicated that at this moment, the majority of international trade falls under the trading system of the WTO. Prior to the WTO, there was the GATT, which tried to oversee international trade. Appleton and Plummer (C2005) have also explained that the GATT faced difficulties with regard to the liberalization

of, for example, the agriculture and service sectors. These restrictions and the desire for nontariff barriers⁵ drove the members of the GATT to create the WTO (Appleton & Plummer, C2005).

The official website of the WTO (2016) explains that the WTO provides a platform for the negotiation of agreements that aim at reducing the obstacles which limit international trade, ensuring a field in which all can participate. The organization itself defines themselves as “the international organization whose primary purpose is to open trade for the benefit of all” (WTO.org, 2016). In addition, the WTO (2016) explains that they provide a legal and institutional framework that contributes to the implementation of agreements and subsequently monitors those agreements. The founding principles that the WTO (2016) has developed for their organization are as follows: 1) the persuasion of open borders, 2) transparency in its activities, 3) non-discriminatory treatment among member states and 4) most-favored-nations principles.

The system of the WTO is a multilateral trading system of which the agreements are at the heart. These agreements are all negotiated and signed by the member states and ratified within the parliaments of the member states. The member states consist of the majority of the trading world. The agreements are all of a legal character and can be seen as binding contracts, which obligate the governments to maintain their trade policies within the framework created by the WTO’s agreements. It is important to note that while these legal agreements are created and signed by the governments, the agreements primarily concern the producers, importers and exporters with the purpose of helping them conduct their business (WTO.org, 2016).

The WTO’s (2016) website claims that through their system, trade barriers are lowered, ultimately leading to the breakdown of the barriers between nations and people. The WTO (2016) elaborates upon this by stating that countries which open their domestic economics to international trade “will encourage and contribute to sustainable development, raise people’s welfare, reduce poverty, and foster peace and stability.”

Researcher Gallagher (2005) has noted that since the creation of the WTO, the organization has developed the following set of rules, which they pursue aggressively among their member states:

- Safety values
- Transparency
- Reciprocity
- Binding and enforceable commitments

⁵ Nontariff barriers are hereafter referred to as NTBs.

Professors Karns, Mingst and Stiles (C2015) have explained that trade can be seen as the engine of economic growth, especially within the theory of a liberal economy. As previously mentioned, liberals such as Kant (1991), Locke (1823), Ricardo (1965) and Smith (C2007) support of the creation of supranational bodies and global trade. Interpreting the key ingredients of Kant (1991), it can be said that he believed that the combination of a democratic state, economic interdependence and IO would accomplish what he referred to as a “pacific union.” Kant (1991) has explained this by claiming that internationalization is a positive development. The statements of Kant are almost identical to the mission statement of the WTO. In contradiction to the WTO and the liberal view, there are the realists, Max Weber (1948) and Lloyd Gruber (2000) among others believe that the state should be seen as the primary actor in the international system, thus in IOs, and will only act in their own best interests. Due to the distrust of other states and the self-centered mindset of states, there may become a struggle for power which will result, as Gruber (2000) has noted, in a situation where only the powerful states make any gains.

1.5.1 Enforcing WTO law

One of the most important articles that connects the legislative work of the WTO, is Article XVI:4 of the Marrakesh Agreement, which states that “each member shall ensure the conformity of its law, regulations, and administrative procedures with its obligations as provided in the annexed agreements.” The Marrakesh Agreement ensures that all member states of the WTO fulfil the obligation to adapt the WTO legislation to their own legal system. Researchers Chaisse and Chakraborty (2007) have explained that through the obligations of these laws, the member states express their willingness to ensure international trade laws are enforced effectively. One of the aims of the WTO (2016) is to settle disputes among member states to reduce the risk of conflicts.

According to the website of the WTO (2016), there are two ways through which the laws of the WTO can be enforced by the member states. Firstly, through the trade policy review mechanism.⁶ Researcher Arunabha Gosh (2010) has explained that in 1988 there was a negotiation period of the Uruguay Round in which the TPRM was constructed. The TPRM was later considered to be of equal value with other agreements of the WTO within the Marrakesh Agreements (1994), which can be found in Annex 3. Annex 3 of the Marrakesh Agreements (1994) expressed the main objective of the TPRM is to be a facilitating mechanism that eases the process of the multilateral trading system by improving the member states’ trade policies and transparency of this.⁷ Secondly, through sanctions (as is explained in the sub-section of the

⁶ The trade policy review mechanism is hereafter referred to as TPRM.

⁷ “To contribute to improved adherence by all Members to rules, disciplines and commitments made under the Multilateral Trade Agreements and, where applicable, the Plurilateral Trade Agreements, and hence to the smoother functioning of the multilateral

legal framework of the WTO) Article XVI:4 of the Marrakesh Agreement (1994) implies that the member states of the WTO are obligated to adapt the WTO laws to their legal systems. Thus, any possible violation by a member state to an agreement of the WTO implies a direct violation of the conformed obligations enshrined in Article XVI:4 of the Marrakesh Agreements (1994). The WTO (2016) has expressed their concern that when a member state does not comply with the laws set forth by the WTO, this may result in an increase of disputes. The WTO (2016) explains on their website that if the respondent to a violation complaint fails to “carry out its obligations” to the WTO agreements, the direct or indirect result will be the nullification or impairment of one of the member’s benefits. To properly implement the WTO legislation, the WTO developed a dispute settlement mechanism.⁸ The difference between the TPRM and the DSM is that, according to the website of the WTO (2016) the dispute settlement process is a process that can only begin at the request of complaining members. In other words, this particular process consists entirely of a government-to-government process and can only be executed among members. After the process, the priority of the losing country is that they improve their legislation according to the ruling or recommendations. The WTO (2016) has explained that this is a priority because after the appellate body report was adopted to the dispute settlement body, it becomes binding under international law. Thus, the WTO has the authority to impose sanctions if a country does not change its legislation upon request of the DSM.

In the eyes of realists, the DSM is designed to fail. Considering that according to realists such as Morgenthau (1948), international politics is a never ending struggle for survival and power and thus, the states’ behavior are influenced by their deep ingrained distrust of one another. Hobbes (1968) has strongly agreed with this statement, believing that human nature is hostile and dangerous. Hobbes (1968) further states that the sovereign state is based on the relation between protection and obedience. This relationship is influenced by the interference of externals in the internal affairs of the state. Through the DSM, it is possible for a state to force another state to change its legislation, which is unacceptable according to Morgenthau (1948), who claims that there should be a “non-interference by external powers in the internal affairs of another state.” Kenneth Waltz (1959) has substantiated this vision by stating in his book “Man, the State and War” that the principle interest of states is to provide security to the state and the people who live in the state; Therefore, the states have to seek power to ensure their own survival.

Grotius, on the other hand, has advocated that human nature is sociable and rational, with a strong sense of responsibility (Jeffery, 2006). When using the approach of Grotius, the DSM and the overall structure of

trading system, nu achieving greater transparency in, and understanding of, the trade policies and practices of Members” (Marrakesh Agreement Establishing the World Trade Organization, Annex 3, 1994).

⁸ The dispute settlement mechanism is hereafter referred to as DSM.

the WTO can actually work. Further, Kant (1991) has strongly believed that the states are not subject to the Hobbesian dynamic. Even though the international system can be seen as an anarchic environment, Kant (1991) has claimed that it is possible for a state to bring perpetual peace to another state, in particular, through economic interdependence. North (1907) and Smith (C2007) have concluded that money, trade and interest rates should not be made, controlled, or restricted by the government, highlighting the founding principles of the WTO: 1) the persuasion of open border, 2) transparency in its activities, 3) treatment of non-discrimination among member states and 4) most-favored-nations principles (WTO, 2016). Mearsheimers (1994) and Grieco (1988) have claimed that IOs, and in this case the WTO, have relative-gains, a benefit of cooperation they name is military advantages.

However, as Gruber (2000) has noted, these gains are only for the powerful states. Heywood (2011) has supported this claim by saying that “power politics operates in and through international organizations, which are viewed more as appendages of the state-system, or simply as instruments controlled by powerful states, and do not constitute a separate realm.”

1.5.2 WTO and sovereignty issues

Scholar of politics and international law, Ian Hurd (2013) has mentioned that the fuel that drives the dominant position of IOs in world politics is the tension between state sovereignty and state obligations. There has been an important and structural shift of the power within the political sphere due to the creation of the WTO. Political researchers Scholte, O’Brien, and William (1998) have stated that the political sphere has shifted from a statist sovereign governance to a post-governance, which is focused on globalization and internationalization. Along with the rapid growth of more global governance, a number of concerns about the impact of the expansion of global governance on the national state sovereignty have arisen. Professor of the University of California, Andrew Guzman (2001) has indicated that the sovereignty issues can be related “to both the level of political support for the institution and concerns about democracy.” The WTO’s website (2016) demonstrates that the organization has limited the political power of individual states with regard to policy formation; It has accomplished this by revising, replacing or annulling the legislation of its member states. The success of these interferences has caused an increase in questions and fears concerning national sovereignty. Professor Andrew Guzman (2001) has elaborated on this by explaining that although the WTO possesses no coercive enforcement mechanism, the behavior of the state is directly affected by the obligations and rulings of the WTO panel. The website of the WTO (2016) explains that the organization is designed in such a way that it has the power and authority to limit the ability of the states when the WTO believes that they violate their obligations. Interpreting this statement, I believe that the system of the WTO

can be described as an organization that has an authority which stand above the authority of the national law of individual states.

When considering the signification of sovereignty of realists such as Hobbes (1968), Bodin (1896) and Machiavelli (2007), who claim that states' sovereignty should be absolute and that they should have complete power and authority over everything, I believe it is safe to say that the establishment of the WTO must be a nightmare for them. The WTO has a significant amount of power to make their members comply to their laws regarding the international system, making states' sovereignty non-absolute. According to Hobbes (1968) and Bodin (1896), it is unacceptable when states' sovereignty is non-absolute.

The trade representative during the Reagan administration, Clayton Yeutter has stated that: "the sovereignty argument is pointless, for every trade agreement we've signed in the past 200 years has in some way infringed on our sovereignty" (cited in Crow, 1996). In a way this is true; Agreements between nations are nothing new. However, this does not necessarily mean that states must accept the loss of sovereignty; Indeed, realists are convinced that the international system is anarchic and that state sovereignty should always be preserved, while liberals believe that with the right ingredients it is possible to construct a "pacific union." According to Kant (1991), the combination of economic interdependence and IOs is important to balance out the anarchic environment and establish peace within the international system. The construction of the WTO can be seen as ideal for liberals such as North (1907) and Smith (C2007), who believe that the government should not make, control or restrict money, trade and interest rates.

1.5.3 *Case of the United States*

One of the countries that have been subject to the WTO's TPRM and the DSM is the United States of America (US). For instance, during five different TPRMs, several US policies were changed (Trade Policy Reviews of 1996, 1999, 2001, 2003, 2006). The policies that had to change due to the TPRMs were policies concerning the textile quota regime, the rules of origin requirement, the increasing use of contingency and the stringent standard-related barriers (Trade Policy Review, 1996, 1999, 2001, 2003, 2006). However, the TPRMs are not as important as the cases lodged against the US by the Dispute Settlement Body,⁹ which reflect the extent to which a number of US policies were incompatible with the WTO law. The website of the WTO (2016) states that a total of 126 cases were filed against the US; Figure 1 displays the countries that lodged the cases.

⁹ The dispute settlement body is hereafter referred to as the DSB, which is the body where the DSM takes place.

Each of the 126 cases that were lodged against the US has a different character and finds themselves in different stadiums of the process. The WTO (2016) has explained that a number of the cases solved themselves due to mutual agreements made between the concerned countries, while other cases required mediation by the DSB. The different stadiums of the cases against the US are displayed in the Appendix 1. In a majority of the cases that were lodged against the US, the US lost and had to face the consequences. For instance, one of the major cases that the US lost was the case concerning the Continued Dumping and Subsidy Offset Act of 2000 (for more information see Appendix 2). After losing this case, the US was forced to change their legislation to comply with the rules and regulations of the WTO.

The TPRM reports that in addition to the cases lodged against the US, the WTO has forced the US to seriously review a number of their policies and make the recommended changes. This process resulted in the US having to change ten policies (WTO, 2016). The ten policies that changed are linked to the following areas. A detailed overview of the policy changes is included in appendix 3.

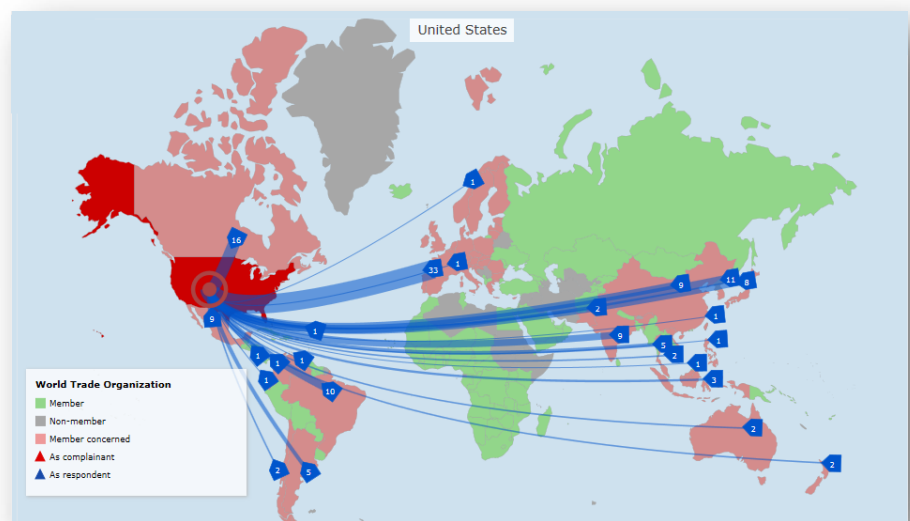


Figure 1: Map of cases lodged against the US
Source: website of the WTO (WTO, 2016)

1	All sectors	Reciprocal agreement to facilitate visa procedures	2010
2	All sectors	Fee in relation to H-1B and L1 visas	2011
3	All sectors	Special tax on foreign suppliers	2011
4	All sectors	Extension of visa without undergoing visa renewal process	2012
5	All sectors	L1: visas: duration on basis of reciprocity and renewal process	2012
6	Communication	Radio services: conditions on foreign investment	2012
7	Communication	Broadcasting services: condition on foreign investment	2013
8	Communication	Telecommunication services: limit on the scope of services	2015
9	Financial	Banking services: supervision of large entity	2010
10	Financial	Banking services: prudential standards	2014

Table 1: Overview of policy changes US - Source: Website of the WTO (WTO, 2016)

CHAPTER 2

METHODOLOGY



LOGIC BEHIND THE EXECUTION OF
THE RESEARCH

Chapter 2: Methodology

The literature review illustrated the theoretical spectrum of this dissertation; However, to relate the theoretical platform to present day society, more extensive research had to be conducted. This chapter explains the actions that were taken to accomplish the research for this dissertation.

2.1 Research methods

Qualitative and quantitative research methods were used to gather the literature (for the literature review) through intensive desk research. Eventually, however, more specific data was collected. The methods that were chosen to collect the specific data are: elite interviews and a social survey. The findings of these interviews and the social survey were linked to the literature review, not only to validate the literature review but also to explore new possibilities and ideas which eventually contributed to formulating an answer to the following research question:

Are international governmental organizations, such as the World Trade Organization, making states irrelevant in the global political arena?

According to Neil Spicer (2012), the combination of quantitative and qualitative methods can be sequential. He has explained this structure as follows: “qualitative methods can be used as the first stage if a wider research project in order to facilitate, inform or prepare the ground for primarily quantitative research” (Spicer, 2012). Due to the complexity of the subject of this dissertation, it was decided to combine the qualitative and quantitative methods. First, qualitative and quantitative methods were used to provide appropriate contextual awareness of the subject and to construct the literature review, in order to develop the best analytical categories for the qualitative elite interviews and the quantitative social survey. This ultimately resulted in a more knowledgeable way to analyze the data was collected.

2.2 Data collection

First, data was collected was through intensive desk research, which was then used to construct the literature review. The data displayed within the literature review was based on the data collection of secondary quantitative data and secondary qualitative data. Secondary academic reports, books, literature, interviews, surveys and documents helped summarize the most relevant academic debates, providing the reader with a more in-depth understanding of the subject. After analyzing the relevant literature, it became clear that there was a need for empirical evidence that could validate the theoretical spectrum of this dissertation. To accomplish this aim, first primary quantitative data was collected through the conduction of a social survey. In addition to this, primary qualitative data was collected through interviews with high-level political representatives, civil servants and other relevant stakeholders. Table 2 provides an overview of the relevant stakeholders (section sampling).

Qualitative research has been explained by Mahoney and Goertz (2006) as follows: “Qualitative researchers are in some ways analogous to criminal detectives: they solve puzzles and explain particular outcomes by drawing on detailed fact gathering” (Mahoney & Goertz, 2006). With this definition in mind, stakeholders were selected. Another important aspect within the selection process, was the knowledgeable information that an interviewee could contribute to provide deeper insight into this issue. In this way, the stakeholders contributed different pieces in order to solve the complete puzzle.

The interviews and the social survey that were conducted were divided into the following four groups according to the respective stakeholders:

1. Political representatives, in charge of directing the state
2. Industry representatives, work in the field
3. Objective experts, assess the political economic developments in modern society
4. Civil servants, represent the thoughts and opinions of the public

The positions of the first three groups of stakeholders were gathered through the conduction of four extensive interviews, which resulted in the collection of the primary qualitative data. The duration of the interviews was approximately one hour. The interviewees that were selected all hold high, respectable positions within the organizations that they work for. Due to the fact that the interviewees did not all belong to the same stakeholder group, the questions for the interviews were designed individually, with the proper preparation for each interview. Thus, each interview focused entirely on only those issues deemed to be important.

Through the social survey, the fourth group of stakeholders was ‘interviewed.’ The survey was designed in such a way that it was able to collect all of the opinions and thoughts of the general public. The social survey consisted of 27 questions. The first four questions were constructed in such a way that they provided and understanding of the participants’ demographics. The subsequent 20 questions are actually statements to which the participant can either agree or disagree. The statements were all formulated from either a realism or liberalism perspective, which helps the survey determine to which international relations theory the general public is more inclined.

In addition to the elite-interviews and the social survey, more extensive research was conducted to supplement the findings of these methods. This was carried out through the information that is available on several websites, statistics and archives.

2.3 Sampling

The interviewees were selected based on their expertise and knowledge of trade openness and the impact of this openness on the political power of individual states. Thus, the sampling process for the interviewees was exceedingly selective, due to the fact that the overall aim of the conduction of these interviews is to obtain a better understanding, which would provide another piece to solve the puzzle and thus help to answer the research question.

All candidates of the interviews were identified and contacted during the research process. The contact information of the candidates was found through the website of the representatives and then e-mails requesting an in-depth interview were sent to the participants. In a number of cases, the initial request was forwarded to someone who had more knowledge of the subject within the organization.

The social survey was conducted using a random sample since the aim was to capture the perspective of the general public. Furthermore, no distinction was made between target groups for the social survey. To be able to reflect an objective outcome, a quota was created; The quota of the social survey was a minimum of 150 participants.

Table 1 provides an overview of the four groups of stakeholders and the participants of both the interviews and the social survey.

Political representatives	
Ministry of Economics	Member of the direction of general economical politics
	Member of the direction of European and international affairs
Ministry of Foreign Affairs	Member of the direction of trade politics
Industry representatives	
WTO	Member the Public Relations department
Objective experts	
Professor	Professor of History and Political Science
General public	
Civil Servants	Citizens of nations all over the world. However, the majority of the participants lived in the Netherlands.

Table 2: Overview of stakeholder groups

2.4 Processing data

To represent the opinions and thoughts of the interviewees in an objective manner, it was decided that the interviews should be transcribed in a denaturalized¹⁰ manner (see appendix 6 for the transcripts). Oliver, Serovich and Mason (2005) have explained that a denaturalized transcript should be used in studies that focus on the opinions and data itself rather than the communications skills of the interviewees, which is the case for this dissertation.

The themes that help structure the subsequent chapter were identified during the process of analyzing the transcripts of the interviews and the outcomes of the social survey. During this process, the main research question was continuously considered. The transcripts were divided into different themes to better structure the analyzing process. The themes that were used for the analysis and which will structure the subsequent chapter: political power, international politics, motives, opportunities and risks, WTO and the effects of trade openness. It is important to note that although the themes are divided, they should not necessarily be seen as separate parts. Indeed, due to the interdependent relationship and direct influence of these themes upon one another, there will always be an interactive link between them.

The following three themes were identified during the analyses: 1) political power, 2) social stability and 3) the effects of trade openness on the political power of individual states. The themes will be discussed in

¹⁰ Oliver, Serivich and Mason (2005) explain that when a text is denaturalized the idiosyncratic elements of speech are not transcribed. This includes e.g. stutters or involuntary vocalizations, etc.

further detail within Chapter 4. Again, although these themes are divided, this does not mean that they are not connected.

2.5 Framework for data analysis

The analysis process can be perceived as a “web of meanings” according to Straus and Corbin (1990). They have further explained that during the data collection process, all sorts of codes are collected and that by analyzing these codes, they can be connected to one another and subsequently, form this web. One of the most important tasks of the research during this process is to define the strings that form this web. Therefore, the collected data was analyzed repeatedly and precisely to identify all of the strings of the ‘web of meanings.’ By comparing the collected data to the information collected from the literature review, it was possible to identify several key themes. Through these key themes, the collected literature was validated and complemented with the findings. The framework that was chosen to help analyze the collected data is the discourse analysis. Table 3 presents the steps that were taken within this particular framework.

Action	
Step 1	Identify the key themes and arguments
Step 2	Look for association and variation
Step 3	Examine characterization and agency
Step 4	Observe emphasis and silences

Table 3: Framework for data analysis (Seale, 2012)

The presentation of the findings is divided into two chapters: The first will solely represent the opinions and attitudes of the stakeholders and the second will compare the literature with the findings and then discuss the main key themes.

2.6 Ethics

Gilbert (2001) has defined ethics as follows: “ethics say that while truth is good, respect for human dignity is better,” which exemplifies the value of ethics within this dissertation. Gilbert (2001) has further elaborated upon this definition by explaining that every researcher must face several ethical considerations during research, in particular when humans are involved in the research. On several occasions during the research process, the thoughts and opinions of individuals played an important role. Therefore, it was impossible for the researcher to ignore the ethical perspectives of the stakeholders, which include the protection of privacy, dignity and rights. Hence, Gilbert’s (2001) principle of informed consent formed the

foundation of the ethical approach used within this dissertation; The safeguarding of the privacy of the participants obtained special attention. In the case of the social survey, prior to participation there was a statement displayed in which was explained that all of the answers provided by the participant would be handled in the strictest confidentiality, meaning that there no names or personal information would be disclosed. Furthermore, it explained that the answers of the social survey would only be used for the purpose of this dissertation. In the case of the interviews, prior to the interview, the interviewees were asked to sign an ‘informed consent form’ (see appendix 4). In addition to this, the interviewees were assured that the answers would only be used for the purpose of this dissertation. Furthermore, the interviewees would be able to review their interview transcripts before they were added to the final version of the present dissertation. This was all done to ensure the privacy, dignity and rights of all of the participants.

2.7 Limitations and potential problems

Regardless of the choices and efforts that were made in order to strengthen the validity of this dissertation, it cannot be denied that there were a number of limitations throughout the research process that need to be acknowledged. First, although the thoughts and opinions of the main stakeholder groups are represented through the interviews, it is difficult to outline conclusions solely based on these particular views. Indeed, Bloch (2012) has explained that this limitation is a consequence of the qualitative interviews, since these generally portray a “particular representation or account of an individual’s views and opinions.” Due to the small number of interviewees that represent the particular stakeholder groups, it is difficult to generalize the information gathered through these interviews. This also includes the social survey; Although the sampling contained a random selection of 153 participants, the sampling is still rather small to represent the opinions of the entire general public. However, it was never the goal of this dissertation to provide an exhaustive research report, since more extensive research would be necessary to accomplish such a feat. Although this research is not significant with regard to ‘breadth’, the researcher did achieve a ‘depth’ research, which has been utilized to the fullest.

Secondly, there exists the risk of being biased. Indeed, not all of the stakeholders that were involved with the subject were interviewed due to the limited amount of available time as well as limited resources. This resulted that unfortunately there were no interviews conducted with state leaders, affected companies, IOs and institutions that are involved in trade relations. For this reason, the findings that are represented within this dissertation may be slightly biased – in the representation – towards the stakeholders that were involved. Nevertheless, by performing extensive desk research there was an attempt made to reduce any gaps created by a lack of information.

Finally, was limited with regard to the researcher herself. Indeed, both the selection of the interviewees as well as the questions that were formulated for the interviews could be seen as a subjective choice made by the researcher. The data that was collected through these interviews have influenced the conclusions, and the possibility exists that if someone else has conducted the research, the conclusion might have been different. Hence, other questions were asked to different persons.

CHAPTER 3

RESULTS



EMPIRICAL EVIDENCE OF THE
EFFECTS OF TRADE OPENNESS ON
THE POLITICAL POWER OF
INDIVIDUAL STATES

Chapter 3: Data on the impact of trade openness

In this chapter, the findings of the four extensive interviews and the social survey are presented and contribute to answering the research question:

Are international governmental organizations, such as the World Trade Organization, making states irrelevant in the global political arena?

As explained in the previous chapter, safeguarding the privacy of the interviewees and participants was a high priority during this research. Therefore, the names of the interviewees are not mentioned within this report. Instead, the occupation of the interviewee will be used to differentiate among them. By exploring the interviewees' thoughts and opinions on trade openness' impact on the political power of individual states, the third research objective is achieved. The data that was used to construct this chapter was collected through a social survey and four extensive interviews with several stakeholders.

The structure of this chapter is as follows: First, the attitudes of the stakeholders' towards the concept of political power is presented. These attitudes are important because they can influence the regulations of political power in individual states. Secondly, this chapter presents stakeholders' perception of the opportunities and risks of international trade. Thirdly, the stakeholders' attitudes towards the WTO are presented. Finally, a sub-section that concerns the effects of trade openness on the political power of individual states according to the stakeholders is included.

3.1 Stakeholders' overall attitudes towards political power

One of the objective experts, who is also a professor of History and Political Science at the University of Yale, explained that as the world continues to globalize, the debate concerning sovereignty intensifies (Personal Interview, August 05 2016, ll.07-10). Especially subjects of trade and foreign policy and to what extent a nation should be able to advocate for themselves when it comes to the political sphere, have gained increasingly more importance in these debates. The concept of sovereignty is a complex political concept that is difficult to define and according to one of the objective experts (Personal Interview, August 05 2016, ll.23-28), sovereignty and its interpretations are constantly changing and have always been fluid. He exemplifies this by using the absolutists theory of the 17th and 18th centuries towards the political theories of Hobbes, Locke, and Rousseau. Furthermore, he elaborated upon this by stating that the ideas of national

sovereignty and popular sovereignty have always have been part of a continuous debate. He explained that due to increased global cooperation, the role of sovereignty is becoming a new subject, especially now that the world continues to shrink (Personal Interview, August 05 2016, ll.23-28). That sovereignty has become a central subject within modern political debate has become evidently clear, but what is not clear is the perspective on this of the general public. According to the social survey that was conducted for this research, 63% of the participants are convinced that sovereignty can be interpreted as an old concept and the value of its meaning no longer entails the same importance in modern politics (See appendix 4, Question 20).

The question of who should hold supreme power and authority within a given country arises parallel to the questions concerning sovereignty. When this question was posed to the general public, 95% of the participants claimed to believe that the power should be shared (See appendix 4, Question 6). According to the conducted social survey, 72% of these participants think that at least national political institutions should have part of the power and 61% think that the people should have a share as well. The objective experts are in a consensus with the general public and are of the opinion that the power should be shared. Indeed, he explained that through a visit to the Netherlands, he has become more open minded and friendly towards the idea of a parliamentary system of government (Personal Interview, August 05 2016, ll.12-15). He elaborated on this by explaining that, due to the construction of parliamentary government systems in which the power is divided, there is more direct interaction between the government and the people. This makes it possible for the government to be more responsive to the concerns of the majority. However, due to the separation of power, a majority of governments in western countries do not have a possess absolute sovereignty (Personal Interview, August 05 2016, ll.12-21).

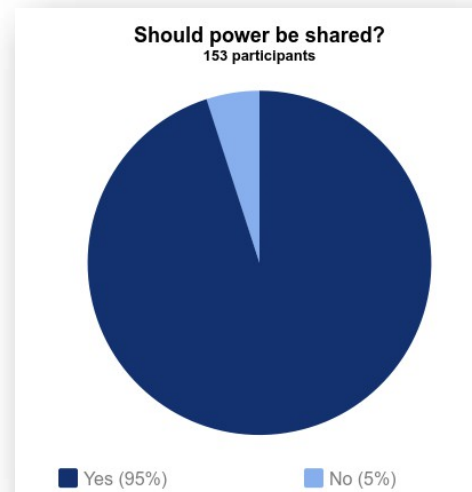


Figure 2: Chart of Appendix IV, Question 6

3.1.1 International politics

According to 63% of the participants of the social survey, sovereignty is an old concept and the value of its meaning does not entail the same importance anymore in modern politics (See appendix 4, Question 20). As one of the objective experts explained, sovereignty is a concept that has always been fluid and that has had different interpretations throughout history (Personal Interview, August 05 2016, ll.23). One of the political experts indicated that sovereignty's importance grows alongside economic instability. A feeling of lack of control combined with negative consequences that have a direct effect on citizens will stimulate

a negative approach for international politics and increase the personal value towards sovereignty (Personal Interview, August 24 2016, ll.186-190).

Although the discussion on sovereignty is rising, the general public believes that international cooperation will eventually make a nation stronger (See appendix 4, Question 12). This is especially due to the belief that an international economy will contribute to the growth and expansion of domestic economies (See appendix 4, Question 14), which will eventually lead to an increase in the wealth and welfare of the citizens: What the political and objective experts have established as the primary goal of engaging in international trade (see sub section 3.2 for further information). All of the three political representatives have expressed their positive opinion towards global internationalization. However, the objective expert has noted that it is important for the state to exert themselves in the present global society (Personal Interview, August 0, 2016, ll.69).

Moreover, although the majority of the public views self-sufficiency as preferable to dependency (See appendix 4, Question 16), 90% of the public is convinced that international agreements contribute to a country in a positive way (See appendix 4, Question 17). This belief is due to the

mindset that international cooperation has more advantages than disadvantages (See appendix 4, Question 15). One of the political experts noted that is impossible to be completely self-sufficient. She elaborated on this by stating that if there was no international trade, the only clothes that the Netherlands would have access to would be woolen sweaters from Texel, for which citizens would pay too much, simply due to the fact that there are 17 million inhabitants in the Netherlands and not enough sheep (Personal Interview, August 12 2016, ll.92-93).



Figure 3: Chart of appendix IV, Question 17

3.2 Stakeholders' interpretations of motives to engage in international trade

The motives which encourage a state to engage in international trade vary substantially. One of the political representatives mentioned that the most common motivation is economic welfare (Personal Interview, August 24 2016, ll.34). Another political representative agreed with this conclusion by stating that the overall goal of international trade is the improvement of a community's wealth and welfare (Personal Interview, August 12 2016, ll.80-82). That the government should always act in the best interests of its civilians was emphasized in the social survey, where 92% of the participants claimed that the economy should be governed in such a way that it promotes the wealth and welfare of the community of the state (See appendix 5, Question 21). In addition to economic motivation, efficiency and innovation were also considered to be motives for a state to participate in international trade. One of the political representatives explained that she always tries to make things concrete, something that is difficult to do in political discussions, because one must first determine how to make trade visible. (Personal Interview, August 12 2016, ll.97-98). For instance, international trade does not only benefit companies or the government, but also citizens through job opportunities, an increase in consumer choices and the decrease of prices when there are more than one supplier. When there is one supplier in, for example, Europe, a monopoly would exist and the company would ask too much for its products, while not being as efficient or innovative as needed (Personal Interview, August 12 2016, ll.100-102). Moreover, the majority of the participants were of the opinion that international trade is for the best. Indeed, 86% of the participants claimed that states should not distance themselves from international trade (See appendix 4, Question 9). These motives will only help states accomplish their ultimate goal to participate in international trade, which is for the wealth and welfare of their citizens (Personal Interview, August 12 2016, ll.82).



*Figure 4: Motives to engage in trade openness
Source: Appendix V - personal interviews*

One of the political representatives added moreover that when one analyzes the global economy, it reveals that international trade positively contributes to a country. However, she noted that even though it might increase the economic welfare of a country, this does not necessarily mean that it increases the welfare of the citizens (Personal Interview, August 24 2016, ll.37-38). The cake might become bigger, but the division of the cake is not proportional (Personal Interview, August 24, 2016, ll.40). The objective expert asserted that states must do more to address the plight of workers whose lives have been upended by trade

agreements made by the governments that are in charge of protecting them (Personal Interview, August 05 2016, ll.38).

The industry representative explained that in addition to the previously mentioned motives, assurance is a strong motivator. She elaborated upon this by explaining that international trade makes it possible to create a world which is more prosperous, peaceful and economically accountable (Personal Interview, August 16 2016, ll.6-9). The political representatives agreed with this motive and justify their agreement by explaining that after the Second World War, everyone felt more or less the same way: “we never want a war again.” Which, until today, was possible in Europe through free trade. Trade made countries dependent upon one another, which enlarged the importance of collaboration and peace keeping. Subsequently, this dependence made it possible to obtain a positive impression of ‘the other’ and realize that they are not as bad as one might have imagined (Personal Interview, August 12 2016, ll.119-124).

3.3 Stakeholders’ perceptions of opportunities and risks of trade openness

One of the political representatives claimed that the advantages of international trade are significantly more than the disadvantages (Personal Interview, August 12 2016, ll.66). The social survey also indicated a consensus in this area; 88% of the participants are convinced that international trade has more advantages than disadvantages (See appendix 5, Question 15). This perception can be linked to society’s overall mindset, proven by the fact that 93% of the participants believe that international cooperation will make a nation stronger and that the international economy contributes to the growth and expansion of domestic economies (See appendix 5, Question 12 & Question 14).

One of the political representatives mentioned that the positive effects of trade openness are not immediately visible. But rather, it is the negative effects which are more immediately apparent in the short term, in particular for specific groups of society (Personal Interview, August 12 2016, ll.149-151). His colleague elaborated upon this by stating that it is possible for a foreign competitor to have a comparative edge with regard to a domestic supplier, and because of this, employees can lose their jobs; This is one of the short term effects. However, she further noted that, in the long term, these employees can begin working in other sectors (Personal Interview, August 12 2016, ll.130-132). When analyzing the collected data, several opportunities and risks were identified. In the sub sections below, the main opportunities and risks are analyzed and an overview of the identified opportunities and risks is presented.

3.3.1 *Opportunities*

One of the major opportunities that results from trade openness is the increase in diversity and quality of consumer goods and services. The social survey revealed that 76% of the participants believe that this increase is one of the consequences of international trade (See appendix 5, Question 18). While political representatives and industry representatives claimed that efficiency and innovation are the main motivators for engaging in international trade, these are not seen as the main consequences of international trade by the general public.

Exporting domestic products can be seen as a second major opportunity of international trade. However, a number of individuals may view importing as a perceived danger. However, one of the political representatives claimed that, from an economic perspective, imports can only be interpreted as an advantage. He explained that once a company is able to purchase products at a lower cost, they are able to produce more efficiently, consequently resulting in cheaper products (Personal Interview, August 12 2016, ll.63-65). Additionally, he explained that international trade does open a playing field with more competitors, which eventually will make the domestic economy more efficient. Thus, they are stimulated to improve their products and strive for the best (Personal Interview, August 12 2016, ll.70-77).

3.3.2 *Risks*

In order to establish complete integration of trade, it is necessary for states cede the opportunity to have absolute authority over their domestic economy. One of the political representatives elaborated on this by explaining that one should not only strive to execute their own policies, but also they should aim to establish one unified policy. This is only possible when a state relinquishes part of their authority (Personal Interview, August 24 2016, ll.130-132). One of the disadvantages that this decision entails, however, is that the policy does not always reflect what the state wants (Personal Interview, August 24 2016, ll.133). Nevertheless, both political representatives and the general public are of the opinion that sometimes a state must sacrifice their own self-interest in order to realize a goal that applies to more countries (See appendix 5, Question 10).

Another point that can be identified as a risk is, that according to the general public (73%), within international agreements, the most powerful countries are the countries that make the decisions (See appendix 5, Question 8). One of the political representatives explained that indeed, “bigger” countries have more capacity to support their point of view, simply because they have more money with which to pay employees. However, this does not necessarily mean that they are always getting what they want (Personal Interview, August 12 2016, ll.194-195). Sometimes larger countries elicits aversion (Personal Interview, August 12,

2016, ll.197). Another political representative explained that capacity plays an important role in this story, capacity in this case is referred to human resources. She noted that countries, such as Uganda, simply do not have enough officials to send to all of the meetings and thus, completely engage in every topics. This is in stark contrast to the US and the EU, who do have the manpower to accomplish this (Personal Interview, August 24 2016, ll.70-73). This is what compels larger countries to support supranational organizations such as the WTO; However, this does not mean that they are in charge (Personal Interview, August 24 2016, ll.66).



Figure 5: Opportunities and risks of trade openness
Source: Appendix IV & Appendix V

3.4 Stakeholders' overall attitudes toward the WTO

The attitude of the objective expert towards the WTO was quite negative; He is of the opinion that nations should manage their own trade policies rather than a supranational organization (Personal Interview, August 05 2016, ll.50). A small majority (57%) of the participants of the social survey agreed with this, claiming that the state should monopolize the right to tax within their territorial boundaries and through this, establish their own trade agreements (See appendix 5, Question 22). In his opinion, the WTO is not democratically elected and the WTO does not consider the effects on workers within each country when creating their trade

deals (Personal Interview, August 05 2016, ll.53-54). One of the solutions for the current turmoil in western countries is, according to the objective expert, that states should manage their trade agreements independently. The objective expert believes this, even if it requires more work because he is convinced that “[it] is better than screwing over your working class to make a few more bucks for the wealthy” (Personal Interview, August 05 2016, ll.56-57). One of the political experts, however, argued in favor of the WTO and multilateral trade agreements. She mentioned that there are several occasions in which, for example, the Netherlands would never have been able to establish such a good deal for themselves (Personal Interview, August 24 2016, ll.147-149). Furthermore, another political expert explained that it is important for a state to have a good social system. The government should create a system in which it is possible for a citizen to be retrained and receive financial support when he loses his job so that he can find something else (Personal Interview, August 12 2016, ll.160-163). All three political representatives have a more positive attitude towards the WTO than the objective expert. One of the political experts explained that it is important to be involved in the process, indicating that when a state is a member, it can influence how the matter is managed, and more importantly, can express its opinion (Personal Interview, August 24 2016, ll.58-60). Moreover, the general public has a slightly more positive opinion regarding the IOs, such as the WTO. For instance, a small majority (63%) is of the opinion that it is a good thing that IOs make themselves a part of the legislative process of countries (See appendix 5, Question 19). However, although they believe that IOs should be a part of the process, the participants of the social survey also indicated that states should always have the supreme authority to establish and enforce legislation (See appendix 5, Question 11).

3.5 Stakeholders’ perceptions of the effects of trade openness

One of the political experts explained that there are short-term and long-term effects of trade openness and that unfortunately, the positive effects of trade openness are typically long-term effects. Indeed, it is the negative effects that are more often apparent in the short term (Personal Interview, August 12 2016, ll.148-150). One of the short-term effects is an increase in competitors. However, as previously mentioned an increase in competitors is not necessarily as negative as it may initially seem. One of the political representatives explained that foreign competitors can stimulate the industry to produce more efficiently and to become more innovative (Personal Interview, August 12 2016, ll.75-76). However, for those companies that are not able to compete with their foreign competitors, this increase in competition will result in the loss of jobs for their employees. This loss of jobs is one of the short term effects that directly affect the citizens (Personal Interview, August 12 2016, ll.70-77). Another political representative explained that this can create the perception that the common man is paying the price for international trade. What is often not taken into account in discussions on international trade is that, due to foreign competitors,

the diversity and quality of consumer goods and services increases. One of the political experts elaborated upon this by noting that a majority of the things that the general public owns are actually a result of international trade: iPhones, shoes, pants, etc. (Personal Interview, August 12, 2016, 11.90-92). The opportunities that have been identified can be translated into short-term and long-term effects of international trade.

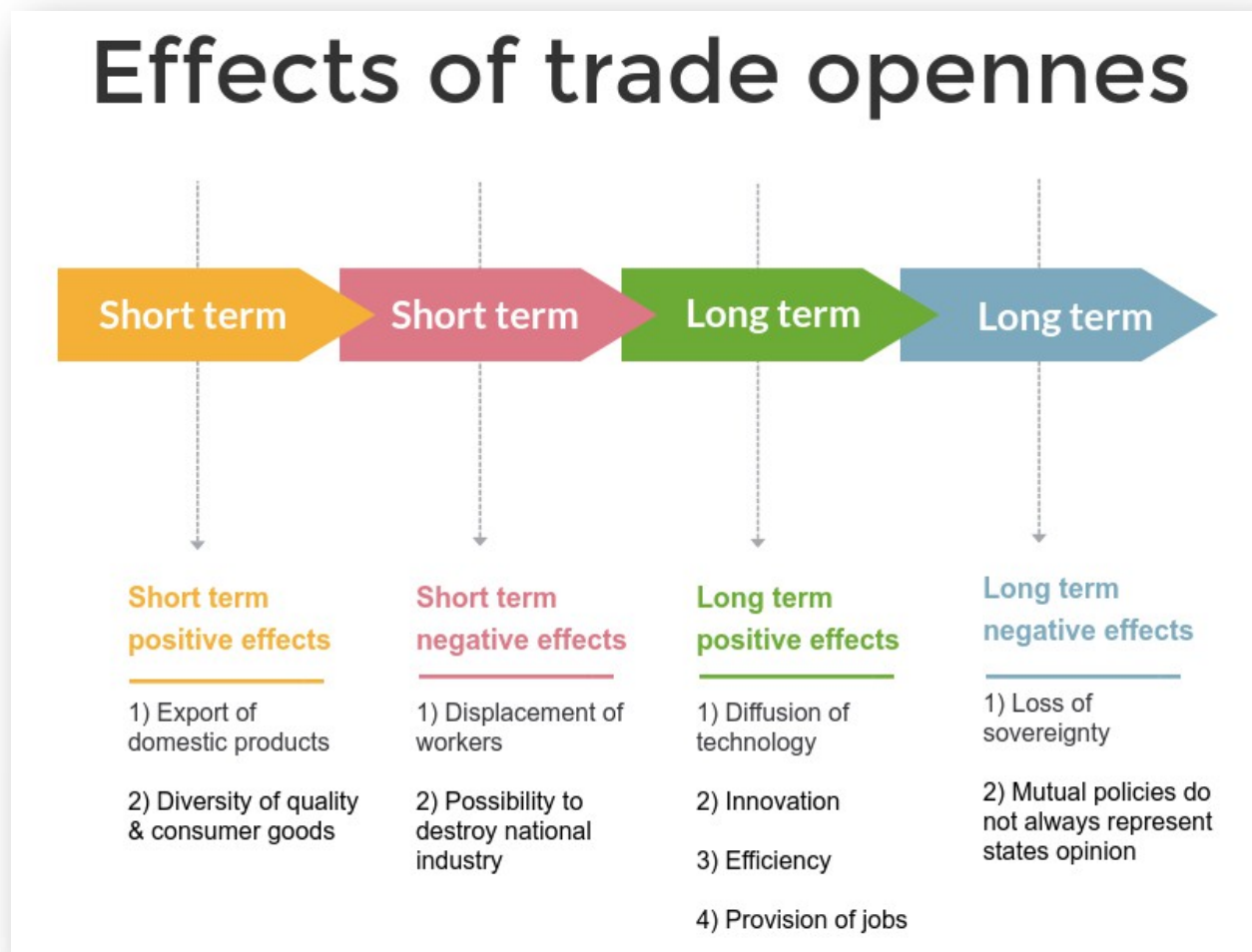


Figure 6: Long and short term effects
Source: Appendix IV & Appendix V

3.5.1 Sovereignty issues

The industry representative explained that the WTO has developed a procedure that helps resolve trade disagreements through the DSM: When a country disagrees with another country's trade policies and believes their rights to have been violated with these policies, they can bring this dispute to the WTO. Experts at the WTO will then evaluate the situation and subsequently, enforce their rules to ensure that there are no trade barriers (Personal Interview, August 16 2016, 11.45-49). According to 67% of the

participants of the social survey, the state should always have the supreme authority, especially with regard to the establishment and creation of legislation (See appendix 4, Question 11). The political representatives agreed with this statement, noting that this is, indeed, always the case, even when a state is a member of the WTO, since states can leave the WTO at any time (Personal Interview, August 24 2016, ll.291). She also emphasized that it is a good thing that countries have collectively agreed upon a basic set of rules. Thus, when there is legislation that compromises the liberty of trade, a state should consider how to implement this. The political representative was convinced that there should be a balance. However, within each country, the sovereign should have supreme authority (Personal Interview, August 24 2016, ll.294-297).

The objective expert stated that sovereignty is not compromised by international trade, simply due to the fact that the governments themselves have agreed to the trade deals (Personal Interview, August 05 2016, ll.30). He agreed with the political experts when he stated that a government can always back out, claiming that: “people within nations still have a great deal of sovereignty when they choose to assert it” (Personal Interview, August 05 2016, ll.31-32).

CHAPTER 4

ANALYSATION & DISCUSSION



EMPIRICAL EVIDENCE WILL BE
LINKED TO ACADEMIC LITERATURE
TO VALIDATE THE INFORMATION
AND EXPLORE NEW POSSIBILITIES
AND IDEAS

Chapter 4: Discussion on the impact of trade openness

Based on the existing literature (Chapter 1) and empirical evidence (Chapter 3) that has been collected for this research, it can be assumed that the WTO is perceived as a supranational institution which governs the process of trade among their 164 member states. One of the consequences of this is that the power of individual states has been reduced significantly in this process. It cannot be denied that due to the promotion of free trade by the WTO, several developing countries, such as India and China, have gained the opportunity to participate in global trade which otherwise, would not have been possible. However, trade openness has a number of advantages and disadvantages. After analyzing all of the collected data, several key themes could be identified, opening a new platform for discussion topics. The key themes that were identified are: 1) political power, 2) social stability and 3) effects of trade openness.

4.1 Political power

The rapid growth of challenges to the sovereignty that individual states face in modern politics creates the opportunity to analyze the importance of sovereignty in present day society. According to the objective expert, the debate concerning sovereignty will only become more intense as the world continues to globalize (Personal Interview, August 05 2016, 11.07-10). Political researchers Daniel Philpott (1995) and Aland James (1986) have provided a system by which sovereignty can be defined. They have explained that there are three adjectives that can be connected to sovereignty in which different forms of sovereignty can be displayed. According to this system, sovereignty can either be absolute or non-absolute; When analyzing the theoretical and empirical data of the WTO, it can be said that states who are members of the WTO have traded their absolute sovereignty for non-absolute sovereignty. According to realists, such as Hobbes (1968) and Bodin (1896), this is a disastrous choice since they believe that ‘true’ sovereignty is complete authority over everything and that states’ sovereignty should always be absolute. Liberals, however, favor the concept of international trade, believing that it is possible for a state to relinquish part of its authority and still be considered the sovereign; Therefore, they advocate for a non-absolutist sovereignty.

One of the main arguments against international trade, or international cooperation in general, is that there are no universal morals in the international system. Hobbes (1968) has emphasized this by claiming that human nature leans towards a state of war and that there should be a ‘leviathan’ to rule them all. One of the political representatives argued against this statement, stating that relinquishing a portion of states’ authority to establish a basic set of rules which countries have collectively agreed upon is a positive

undertaking (Personal Interview, August 24, 2016, ll.294-297). This does not mean that a state should completely discard their sovereignty, but that states must find a balance in the international system. This balance can create a platform in which universal morals are created. This mindset is more in line with the liberal approach from Kant (1991) or Locke (1823), who believe that internationalization is a positive development, once it is balanced. Throughout the years, the world has become increasingly globalized, which has influenced the public's perception towards international politics in a positive way. For instance, 65% of the participants of the social survey are of the opinion that there is a coherency of moral principles in international relations (See appendix 4, Question 24). This finding is contrary to the belief of Hobbes and other realists, and more similar to the liberal approach of Grotius (Jeffery, 2006), who paid more attention to the potential of international cooperation than the risks. Unlike realists, liberals have approached the concept of human nature in a friendlier way by believing that human beings are social and rational (Jeffery, 2006).

Especially in a society where the majority desires to possess the newest products, it has become impossible to be completely self-sufficient (Personal Interview, August 12 2016, ll.92-93). The theoretical framework of the literature review reveals that the discussion concerning sovereignty and international trade is nothing new, but can be traced back to the ancient and medieval time periods. However, even in history one can observe that self-sufficiency might be preferable, but not necessarily achievable. This results in the construction of mercantilism, which List (1991) has argued in favor of by claiming that the relationship between states is always inherently conflictual, and a world with free trade should be seen as a "very unnatural one." The discontent regarding the destructive approach of trade of mercantilism is best illustrated by David Ricardo (1965), who has explained that the inefficient industries that mercantilists promote actually cause more damage to the state. This only highlights the advantages of self-sufficiency ignores the risks of international cooperation, however, it is impossible simple because states do not have all the raw materials to survive. Although the majority of the public believes that self-sufficiency is preferable to dependency (See appendix 4, Question 16), 90% of the public is convinced that international agreements positively contribute to a country (See appendix 4, Question 17); This is due to the mindset that international cooperation has more advantages than disadvantages (See appendix 4, Question 15).

In the discussion on globalization, the reduction of sovereignty maintains a dominant position. States sacrifice their ability to control their economies, which used to be an autonomous activity, in order to participate within the international system. The control over domestic economies is now placed in the hands of a supranational organization and foreign factors have a greater impact on the domestic economy than previously. A small majority (56%) of the participants of the social survey believe that this is a positive development (See appendix 4, Question 13), emphasizing the importance of this discussion.

4.2 Social stability

The previous chapter displays the opportunities, risks and the effects of trade openness in the short term and the long term. One of the political expert explained that, unfortunately, more often the short-term, negative effects are what is immediately apparent to the population (Personal Interview, August 12 2016, ll.148-150). When a state opens its borders for trade, they are also allowing foreign competitors and businesses to enter the market. However, the countries that are exposed to international trade do not necessarily have the human capital education, the technological skills, or the capacity to participate within this international playing field. Not all of the countries are able to produce globally competitive services and products. On the one hand, this drives domestic economies to be more efficient and innovative in order to be able to compete, while on the other hand, it can disrupt a country's social stability. One of the political representatives indicated that the importance of the social system increases when a country decides to participate in international trade (Personal Interview, August 12 2016, ll.160-163). His colleague exemplified this by explaining that it can often be observed that national industries are not able to compete with their new foreign competitors, and eventually, jobs will be lost (Personal Interview, August 12 2016, ll.70-77). This corresponds with one of List's (1991) main arguments against international trade, which states that the imported goods can disrupt the production of domestic goods and will disrupt employment, causing List (1991) and other realists to believe that international trade destroys national industries. Indeed, foreign competitors can and, in most cases, will disrupt employment and can 'destroy' national industry. However, this should not be a reason for a state to not participate in international trade. Instead, this should be a source of motivation to improve other aspects of the industry's goods and services, the ones in which that state has a comparative advantage.

As one can see in previous chapters, self-sufficiency is desirable but impossible. Because a country cannot be self-sufficient, they need international trade and trade openness to be able to provide for their citizens. Therefore, the social system of a country has obtained a more important position in society. One of the political experts explained that the government should develop a system in which it is possible that when one loses their job, they receive retraining, and financial support in order to develop other professional skills and find a job within a different sector (Personal Interview, August 12 2016, ll.160-163). Thus, the government should promote, through this social system, the sectors in which the state has a competitive advantage. This will eventually lead to a more efficient and innovative domestic economy. However, it is important that the government take responsibility during this process, in order to improve the living conditions and opportunities of their citizens. Trade openness will cause social instability and it is the job of the government to decrease this social instability as much as possible.

4.3 Effects of trade openness on the political power of individual states

One of the long term effects of trade openness is the reduction of political power. The power of the WTO has increased in previous years along with global acceptance of the organization. However, this has reduced the political power of each of the member states significantly. The theoretical framework of the literature review indicates that, through the dispute settlement and the policy reviews, the WTO can declare trade policies to be impermissible if they are in violation of the WTO's rules (WTO, 2016). The industry representative confirmed this claim by stating that the WTO is able to enforce their rules to ensure that there are no trade barriers (Personal Interview, August 16 2016, ll.45-49). Countries that tend towards a realist approach in politics have seen their political powers significantly reduced by the liberal approach of the WTO, which promotes globalization, internationalization and trade openness. Indeed, there is a shift in the balance of power within the political sphere. Governments must share their authority, not only with other states, but also with non-state actors such as supranational organizations. This shift in power, this reduction of the political power of individual states, can be seen as one of the major consequences of trade openness and globalization in general.

There was a time when states had the ability to have absolute sovereignty over their respective economies. However, this once autonomous activity is now regulated by different actors; Economic decisions are now based on foreign factors instead of solely upon domestic, political and economic factors. Realists such as Hobbes or Morgenthau perceive this transition of power to be a shift at the expense of the state. They are convinced that the international system is anarchic and that international cooperation is a struggle for power and is driven by the deeply rooted distrust towards 'the other.' One of the political representatives, however, argued that it might be a good thing that states collectively agree upon a basic set of rules (Personal Interview, August 24 2016, ll.294-297). As a result of this basic set of rules, states have guidelines for how to behave within the international system, which reduce the anarchic atmosphere. Furthermore, when states are more dependent upon one another their hostility towards each other will decrease as well. When considering that it is impossible for states to be self-sufficient, this basic set of rules used to guide international cooperation becomes more important. Of course, however, the question arises whether the powerful states will dominate the relatively weaker states in international relations. The answer is that this will always be the case, whether there are supranational organizations such as the WTO who guide the international trading process or states simply create bilateral trading agreements on their own.

CHAPTER 5

CONCLUSION



AN ATTEMPT TO ANSWER THE
RESEARCH QUESTION

Chapter 5: Conclusion

This research critically analyzes the impact of trade openness on the political power of individual states through a literature review, four extensive interviews and a social survey to answer the following research question:

Are international governmental organizations, such as the World Trade Organization, making states irrelevant in the global political arena?

Based on the literature review and the collected empirical evidence presented within this dissertation, a shift of power within the political sphere can be observed due to trade openness. International governmental organizations, such as the WTO, have significantly reduced the political power of individual states. There are several approaches through which a state can design their political system. Countries that tend to use a realist approach in politics have seen their political powers extremely reduced by the liberal approach that promotes globalization, internationalization and trade openness. There is a shift in the balance of power within the political sphere. Governments must share their authority, not only with other states, but also with non-state actors such as supranational organizations. This shift in power and the subsequent reduction of the political power of individual states can be seen as one of the major consequences of trade openness and globalization in general. However, it was necessary to determine whether this means that the state has become irrelevant within the global political arena. In some way it has and hence, supranational organization have received a portion of the states' authority. With the rapid increase of these organizations, it is necessary to ask how much authority is left for the states themselves. On the one hand, the states are the engine behind these supranational organizations, which makes them one of the most valuable players for these organizations and not at all irrelevant. The dilemma that arises here, however, is that IOs exist due to the demand of states and that, in the end, it is the state that create the IO and design the authorities of the IO. Nevertheless, in cases where a state chooses to ignore the beforehand agreed upon commitments, it is expected that the IO will force the state in question to change the violating policy and comply.

The world has currently made international trade indispensable, making it is impossible for countries to be self-sufficient. For example, no state is in possession of all raw materials, and even if they were, they would not be able to produce the products with the same efficiency and at the same low costs as when there is international trade. One of the aspects that drives realists to believe that international cooperation is designed to fail is that there is no moral coherency, as well as the belief that states possess a deeply rooted

distrust of one towards the ‘other.’ Through the establishment of supranational organizations such as the WTO, states have collectively agreed upon a basic set of rules, which will reduce the struggle for power among states, and in the long term, can also reduce distrust. Thus, it may be that states sacrificing a portion of their sovereignty will eventually lead to a more stable international system in which states can collaborate in a more peaceful setting. Thus, it might be that Kant was correct when he claimed that it would be possible to bring perpetual peace and that with the right ingredients there could be a “*pacific union*.”

One of the discussion topics that arises is whether or not the powerful states make the decisions in international politics. On the one hand, they do because these countries simply have more capacity to fully participate on an international level, whereas relatively weaker states do not have the capabilities, knowledge, technology and capacity to completely engage in the subjects. Therefore, the powerful countries are most often the driving forces behind these supranational organizations. However, this does not necessarily mean that they are the ones that make the decisions. For instance, the WTO has created a platform where disagreements related to trade can be settled in a peaceful way. When analyzing the dispute settlement cases, it can be observed that the most powerful states often have the most cases filed against them.

5.1 Research objectives

The introduction of this dissertation has laid out four research objectives that contribute to the systematic assessment of the aforementioned research question:

1. *Investigate* trade openness and with regard to the traditional international relations theories, realism and liberalism
2. *Examine* the impact of trade openness, due to the establishment of the WTO, on the political power of individual states
3. *Explore* the opinions of high-level political representatives, industry representatives, civil servants and other relevant stakeholders, as well as their positions towards the impact of trade openness on the sovereignty of the state
4. *Evaluate* the extent to which IGOs, such as the WTO, make individual states irrelevant within the global political arena due to trade openness.

In order to meet the first two objectives, several themes were discussed through the lense of existing literature. Furthermore, both international relation theories were analyzed with regard to these themes. The literature demonstrates that the approaches that were chosen for this dissertation were developed on the opposite ends of the theoretical spectrum. While realists approach internationalization and trade openness in a negative way and advocate for the protection of domestic economies and self-sufficiency, liberals take a friendlier approach towards the 'other.' Liberals are more focused on cooperation rather than their own benefits, which have a more dominant position in the realist approach.

The researcher has gathered the opinions of several high-level political representatives, industry representatives, civil servants and other relevant stakeholders to meet the third research objective. These opinions were gathered through four extensive interviews and through a social survey which had 153 respondents. When analyzing these opinions, the importance of international trade could be captured, especially the motives for states to engage in international trade, or in international cooperation in general. Thus, it can be seen that the public perspective highlights the importance of the liberal mindset with regard to the political sphere.

The fourth objective was addressed through analyzing the responses of these interviews and the social survey and then comparing them to the existing literature. This section demonstrates that a majority of countries take a liberal approach towards addressing international subjects. Countries that tend to have a more realist approach when addressing international subjects, have seen their political power significantly reduced by supranational organizations such as the WTO. Currently, it can be said that the liberal approach has a more dominant position within the international community.

To conclude, there are three aspects that are at the forefront in the discussion concerning the impact of trade openness on the political power of individual states; These aspects state that: 1) self-sufficiency may be preferable but is impossible, 2) a good social system is needed and 3) the most powerful states are the ones that make the decisions.

5.2 Recommendations

When a state engages in international trade, they face different opportunities and risks. One of the risks that a state encounters is social instability and the disruption of the national industry. In order to successfully participate on an international level, a state should develop a social system which can absorb the first hits of trade openness. Therefore, one of the recommendations that this research makes is that a state must invest in their social system when they participate in international trade and trade openness.

Another recommendation is that more research is needed. Unfortunately, it was not possible to reach all of the relevant stakeholder groups. In order to provide a complete picture of the thoughts and opinions on this subject, all of the relevant stakeholders should be approached.

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- WTO, "Report to the TPRB From the Director-General on Trade-Related Developments (Mid-October 2011 to mid-May 2012)" (p. 22, para. 81).
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- WTO, "Report to the TPRB From the Director-General on Trade-Related Developments" (Mid-October 2014 to mid-October 2015) (p. 77, para. 4.37)

- WTO, "Report to the TPRB from the Director-General on Trade-Related Developments" (Mid-November 2013 to mid-May 2014) (pp. 43-44, paras. 3-73-3.77)

Appendix I – Detailed overview policy changes US

The policies that changed are:

1	All sectors	Reciprocal agreement to facilitate visa procedures	2010
2	All sectors	Fee in relation to H-1B and L1 visas	2011
3	All sectors	Special tax on foreign suppliers	2011
4	All sectors	Extension of Visa without undergoing visa renewal process	2012
5	All sectors	L1: Visas: duration on basis of reciprocity and renewal process	2012
6	Communication	Radio services: Conditions on foreign investment	2012
7	Communication	Broadcasting services: Condition on foreign investment	2013
8	Communication	Telecommunication services: Limit on the scope of services	2015
9	Financial	Banking services: Supervision of large entity	2010
10	Financial	Banking services: Prudential standards	2014

1 – ALL SECTORS: RECIPROCAL AGREEMENT TO FACILITATE VISA PROCEDURES	
Sector description	All sectors
Description	"A reciprocal agreement signed between the United States and the Russian Federation, aimed at facilitating visa procedures, went into force on 9 September 2012. The agreement stipulates that visa-processing times for business visitors will be no more than 15 days. It also allows the parties to issue multi-entry visas valid for three years. US travellers to the Russian Federation are entitled to stay for up to six months, whereas they were previously limited to stays of up to 90 days within a 180-day period, with a maximum validity of 12-month for the visa."
Source	WTO, "Overview of Developments in the International Trading Environment (November 2009 to Mid-October 2010)" (p. 39, para. 100)
Date published	11/24/2010
Recent policy change	Yes (September 2012)
Preferential	Yes

2 – ALL SECTORS: FEE IN RELATION TO H-1B AND L1 VISAS	
Sector description	All sectors
Description	"On 2 January 2011, the James Zadroga 9/11 Health and Compensation Act of 2010 was signed into law in the United States. The legislation extends by one year until 2015 the border security fee that certain employers of H-1B (non-agricultural specialty worker) and L-1 (intra-company transfer) visa holders must pay."
Source	WTO, "Report to the TPRB From the Director-General on Trade-Related Developments (Mid-October 2010 to End-April 2011)" (p. 34, para. 117).
Date published	09/07/2011
Recent policy change	Yes (January 2011)

3 – ALL SECTORS: SPECIAL TAX ON FOREIGN SUPPLIERS	
Sector description	All sectors
Description	“Special tax (2%) on foreign persons who receive a specified federal procurement payment, if the goods or services provided to the US Government are manufactured or provided in any other country that is not party to an international procurement agreement with the United States”
Source	WTO, “Report to the TPRB From the Director General on Trade-related Developments (Mid-October 2010 to End-April 2011)” (p.71, Annex 1).
Date published	09/07/2011
Recent policy change	Yes (2011)
Preferential	Yes

4 – ALL SECTORS: EXTENSION OF VISA WITHOUT UNDERGOING VISA RENEWAL PROCESS	
Sector description	All sectors
Description	"Under a US Department of State rule promulgated in February 2012, foreign nationals may be issued L-1 (intra-corporate transfer) visas valid for up to five years, even if that period is longer than the one in the underlying petition. The new rule allows some foreign nationals, depending on the maximum period allowed for their country of citizenship, to extend their stay without needing to undergo the visa renewal process. However, the rule does not increase the time that an L-1 visa-holder can stay in the United States. The Department of State determines the maximum validity period for the visa category on the basis of reciprocity."
Source	WTO, "Overview of Developments in the International Trading Environment (Mid-October 2011 to Mid-October 2012)" (p. 39, para. 101)
Date published	11/29/2012
Recent policy change	Yes (February 2012)

5 – ALL SECTORS: L1 VISAS: DURATION ON BASIS OF RECIPROCITY AND RENEWAL PROCESS	
Sector description	All sectors
Description	"Under a US Department of State rule promulgated in February 2012, foreign nationals may be issued L-1 (intra-corporate transfer) visas, valid for up to five years, even if that period is longer than the one in the underlying petition. The new rule permits some foreign nationals, depending on the maximum period allowed for their country of citizenship, to extend their stay without needing to undergo the sometimes lengthy visa renewal process. However, the rule does not increase the time that an L-1 visa-holder can stay in the United States. The Department of State determines the maximum validity period for the visa category on the basis of reciprocity."
Source	WTO. "Report to the TPRB From the Director-General on Trade-Related Developments (Mid-October 2011 to mid-May 2012)" (p. 22, para. 81).
Date published	06/28/2012
Recent policy change	Yes (February 2012)
Preferential	Yes

6 – RADIO SERVICES: CONDITIONS ON FOREIGN INVESTMENT	
Sector description	Radio services
Description	"Over the past months, the United States Federal Communications Commission (FCC) has issued two decisions that modernize and streamline its foreign investment policies for certain radio licensees, including wireless telecommunications carriers. Prior to these rulings, Section 310(b) of the Communications Act required the FCC to review foreign investment in any 'broadcast or common carrier or aeronautical en route or aeronautical fixed radio station licence'. Specifically, Section 310(b)(3) prohibited a corporation from holding these types of licenses if more than 20% of the corporation's equity or voting interests was held by foreign governments or representative thereof, or by a foreign corporation. In addition, Section 310(b)(4) prohibited a corporation from holding these types of licenses if it was directly or

	indirectly controlled by any other corporation of which more than 25% of the capital stock is owned or voted by aliens, foreign governments or foreign corporations. Unlike section 310(b)(3), however, section 310(b)(4) grants the FCC discretion to allow higher levels of foreign ownership in controlling US parent companies unless it finds such ownership would be inconsistent with the public interest. In August 2012, the FCC ruled that it would no longer apply the 20% foreign-ownership limit set forth in section 310(b)(3) of the Communications Act. Instead, the FCC will now draw upon the discretionary authority found in section 310(b)(4) of the same Act to determine on a case-by-case basis whether proposed foreign investment in a common carrier licensee is in the public interest. The prior approval requirement remains in place, though. In April 2013, the FCC took additional steps to streamline foreign-ownership policies. The Commission will now eliminate the distinction between foreign investment from WTO Members and non-WTO Members, and streamline the review of foreign investment by (i) requiring identification of only those foreign investors that would hold equity and/or voting interests greater than 5% (or 10% in certain situations); (ii) considering requests for specific approval for any named foreign investor (even those holding interests below these amounts) to increase its equity and/or voting interest at some future time; and (iii) considering requests under section 310(b)(4) for specific approval for any named foreign investor to acquire a controlling interest up to 100% at some future time."
Relevant laws	Communication Act
Source	WTO, "Report to the TPRB From the Director-General on Trade-Related Developments (Mid-October 2012 to mid-May 2013)" (p. 20, para. 2.46)
Date published	07/05/2013
Recent policy change	Yes (August 2012)

7 – BROADCASTING SERVICES: CONDITION ON FOREIGN INVESTMENT	
Sector description	Broadcasting services
Description	"The U.S. Federal Communications Commission (FCC) has clarified its Policy for Foreign Investment in Broadcast Licensees regarding policies and procedures for reviewing transactions that would result in foreign ownership exceeding the 25%. Section 310(b)(4) of the Communications Act of 1934 limits foreign ownership of U.S.-organized entities that control broadcast licensees to 25% when the Commission finds the limitation to be in the public interest. The ruling clarifies the FCC's intent to review applications and petitions for declaratory rulings proposing such ownership on a case-by-case basis. It also specifies the filing procedures for applicants and petitioners seeking approval for foreign ownership above 25%. According to the FCC, the clarification does not alter its obligations to protect the public interest, including national security, localism and media diversity [49]."
Relevant laws	Section 310(b)(4) of the Communications Act of 1934
Source	WTO, "Report to the TPRB from the Director-General on Trade-Related Developments" (Mid-November 2013 to mid-May 2014) (p. 39, para. 3.60)
Date published	06/27/2014
Recent policy change	Yes (November 2013)
Footnotes	[49] FCC Clarifies Policy for Foreign Investment in Broadcast Licensees, FCC Media Release, 14 Nov. 2013, fcc.gov/document/fcc-clarifies-policy-foreign-investment-broadcast-licensees . Full text of a Commission order, See <i>MCI v. FCC</i> , 515 F 2d 385 (D.C. Circ 1974).

8 – TELECOMMUNICATION SERVICES: LIMIT ON THE SCOPE OF SERVICES	
Sector description	Telecommunication services
Description	"On 26 February 2015, the U.S.' Federal Communications Commission (FCC) enacted the Open Internet Order containing new rules on net neutrality that would apply to fixed and mobile broadband service providers [127]. The Order focusses on 4 points: no blocking, which means that internet service providers (ISP) may not restrict access to legal content, applications, services or non-harmful devices; no throttling, which means that no ISP should, intentionally, slow down the content or speed up others; and no paid prioritization, in other words, ISP wouldn't be allowed to favour specific lawful Internet traffic over other lawful traffic, in exchange for special consideration of any kind. The new rules also impose transparency requirements on broadband providers, forcing them to disclose such information as promotional rates, fees and surcharges and data caps. In order to apply these provisions, "broadband Internet Access service" is reclassified as a Telecommunication Services under the Title II of the Telecommunications Act [128]."
Relevant laws	Open Internet Order
Source	WTO, "Report to the TPRB From the Director-General on Trade-Related Developments" (Mid-October 2014 to mid-October 2015) (p. 77, para. 4.37)
Date published	11/17/2015
Recent policy change	Yes (February 2015)
Footnotes:	[127] This measure has not yet been verified by the Government of the U.S. [128] Viewed at:

9 – BANKING SERVICES: SUPERVISION OF LARGE ENTITY	
Sector description	Banking services
Description	"The Dodd-Frank Act modifies the regulatory framework relating to financial services with regard to the identification and supervision of large, interrelated financial organizations that may affect the stability of the United States' financial system. Additionally, the Act limits certain activities of banking organizations, creates a new Bureau of Consumer Financial Protection, modernizes the regulation of financial sector participants and products, and reforms the financial intermediary resolution process. "
Relevant laws:	Dodd-Frank Act
Authorities concerned	"Agency responsible for the enforcement of the measure: Various federal agencies of the United States, including the Department of the Treasury and the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Commodity and Futures Commission, and the Securities and Exchange Commission, as well as U.S. state regulators."
Source	WTO, "Notification Pursuant to Article III: 3 of the General Agreement on Trade in Services", Council for Trade in Services
Date published	09/29/2010
Recent policy change	Yes (July 2010)

BANKING SERVICES: PRUDENTIAL STANDARDS	
Sector description	Banking services
Description	"18 February 2014, the Board of Governors of the U.S. Federal Reserve System issued the "Final Rule" implementing the "Enhanced Prudential Standards for Bank Holding Companies and Foreign Banking Organizations." [57] “The rule, which was required by section 165 of the Dodd- Frank Wall Street Reform and Consumer Protection Act, establishes a number of enhanced prudential standards for large U.S. bank holding companies and foreign banking organizations, including on liquidity, risk management, and capital. It also requires a FBO with a significant presence in the U.S. to establish an intermediate holding company over its US subsidiaries. [58] The Final Rule contains requirements that are applicable primarily to two types of banking organizations: 1) U.S. top-tier bank holding companies (U.S. BHCs) with total consolidated assets of US\$50 billion or more; and 2) foreign banking organizations (FBOs) with total consolidated assets of US\$50 billion or more. For U.S. BHCs with total consolidated assets of US\$50 billion or more, the final rule incorporates the previously issued capital planning and stress testing requirements as an enhanced prudential standard. It also requires such a U.S. BHC to comply with enhanced risk-management and liquidity risk-management standards, conduct liquidity stress tests, and hold a buffer of highly liquid assets based on projected funding needs during a 30-day stress event. The Final Rules further require a U.S. BHC with total consolidated assets of US\$50 billion or more to establish an enterprise wide risk committee chaired by an independent director and to have at least one member with experience in identifying, assessing, and managing risk exposures of large, complex financial firms. A BHC with total consolidated assets of US\$50 billion or more must also appoint a chief risk officer. In addition, publicly traded BHCs with total consolidated assets of US\$10 billion or more but less than US\$50

billion are also required to establish a risk committee chaired by an independent director that includes at least one member having experience in identifying, assessing, and managing risk exposures of large, complex firms. FBOs with U.S. non-branch assets of US\$50 billion or more will be required to establish a U.S. intermediate holding company (IHC) over their U.S. subsidiaries. The foreign-owned U.S. IHC generally will be subject to the same risk-based and leverage capital standards applicable to U.S. BHCs. The IHCs also will be subject to the Federal Reserve's rules requiring regular capital plans and stress tests. Like U.S. BHCs with assets of US\$50 billion or more, a FBO with combined U.S. assets of US\$50 billion or more will be required to establish a U.S. risk committee and employ a U.S. chief risk officer to help ensure that the foreign bank understands and manages the risks of its combined U.S. operations. In addition, these FBOs will be required to meet enhanced liquidity risk-management standards, conduct liquidity stress tests, and hold a buffer of highly liquid assets based on projected funding needs during a 30-day stress event.

FBOs with total consolidated assets of US\$50 billion or more, but combined US assets of less than US\$50 billion, are subject to enhanced prudential standards. However, the capital, liquidity, risk management, and stress testing requirements applicable to these FBOs are substantially less than those applicable to FBOs with a larger U.S. presence. In addition, the final rule implements stress testing requirements for foreign banking organizations with total consolidated assets of more than US\$10 billion and risk committee requirements for foreign banking organizations that meet the asset threshold and are publicly traded.

Under section 165 of the Dodd-Frank Act, upon a determination by the Financial Stability Oversight Council that a company poses a grave threat to U.S. financial stability and that the imposition of the requirement is necessary to mitigate that risk, the Federal Reserve must require a U.S. bank holding company and an FBO with US\$50 billion or more in total consolidated assets, as well as a nonbank financial company supervised by the Federal Reserve, to maintain a debt-to-equity ratio of no more than 15-to-1.

Consistent with the Dodd-Frank Act, the Final Rules define the 15-to-1 debt-to-equity limitation and adopt procedures for its implementation.

	U.S. BHCs subject to the rule will need to comply by 1 January 2015, while the deadline for compliance by FBO is 1 July 2016. The final rule also generally defers application of the leverage ratio to foreign-owned U.S. IHCs until 2018. The Federal Reserve Board estimates that 24 U.S. BHCs and approximately 100 FBOs will be affected by the final rule, and as many as 20 FBOs will meet the IHC requirement [59]."
Relevant laws	Enhanced Prudential Standards for Bank Holding Companies and Foreign Banking Organizations
Source	WTO, "Report to the TPRB from the Director-General on Trade-Related Developments" (Mid-November 2013 to mid-May 2014) (pp. 43-44, paras. 3-73-3.77)
Date published	06/27/2014
Recent policy change	Yes (February 2014)
Footnotes	[57] Federal Register / Vol. 79 , No. 59 / Thursday, March 27, 2014 / Rules and Regulations. [58] See the Federal Reserve's press release at federalreserve.gov/newsevents/press/bcreg/20140218a.htm. [59] See federalreserve.gov/aboutthefed/boardmeetings/memo_20140218.pdf.

Appendix II – Continued Dumping and Subsidy Act 2000

Official document of the WTO Website: (1 page summary of the case, more information concerning the case can be found on the website) https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds217_e.htm

US – OFFSET ACT (BYRD AMENDMENT)¹ (DS217, 234)

PARTIES		AGREEMENTS	TIMELINE OF THE DISPUTE	
Complainants	Australia, Brazil, Chile, European Communities, India, Indonesia, Japan, Korea, Thailand, Canada, Mexico	ADA Arts. 5 and 18 ASCM Arts. 11 and 32	Establishment of Panel	12 July 2001 (Australia, Brazil, Chile, European Communities, India, Indonesia, Japan, Korea, Thailand), 10 September 2001 (Canada, Mexico)
			Circulation of Panel Report	16 September 2002
Respondent	United States		Circulation of AB Report	16 January 2003
			Adoption	27 January 2003

1. MEASURE AT ISSUE

- **Measure at issue:** US Continued Dumping and Subsidy Act of 2000 under which anti-dumping and countervailing duties assessed on or after 1 October 2000 were to be distributed to the affected domestic producers for qualifying expenditures.

2. SUMMARY OF KEY PANEL/AB FINDINGS²

- **ADA Art. 18.1 (specific action against dumping) and ASCM Art. 32.1 (specific action against subsidies):** The Appellate Body upheld the Panel's analysis that the US measure was a specific action against dumping of exports and of subsidies as it was related to the determination of, and designed and structured to dissuade the practice of, dumping or subsidization. On this basis the Appellate Body held that the US measure was inconsistent with the ADA and the ASCM as it was a specific action that was not permissible under the said agreements.
- **ADA Art. 5.4 (initiation of dumping investigation – application by domestic industry) and ASCM Art. 11.4 (initiation of subsidy investigation – application by domestic industry):** The Appellate Body reversed the Panel's findings that the measure at issue was inconsistent with ADA Art. 5.4 and ASCM Art. 11.4. Emphasizing that the interpretation of these Articles must be based on the principles of interpretation in the VCLT, which focus on the ordinary meaning of the words of the provision, the Appellate Body stated that it found difficulty with the Panel's approach of continuing the analysis beyond the ordinary meaning of the text of the provisions of the ADA to examine whether the measure at issue defeated the object and purpose of these provisions. The Appellate Body concluded that the requirement of Arts. 5.4 and 11.4 were fulfilled when a sufficient number (quantity) of domestic producers have expressed support for the application and, contrary to the Panel's analysis, the investigation authority is not required to examine the motives (quality) of domestic producers that elect to support the investigation.
- **WTO Agreement Art. XVI:4 (WTO conformity of laws, regulations and administrative procedures):** The Appellate Body concluded that the US measure was in violation of Art. XVI:4, as it was inconsistent with ADA Art. 18.1 and ASCM Art. 32.1. Therefore, the Appellate Body found that the US measure nullified or impaired benefits accruing to the appellees under those agreements.

Appendix III – Informed Consent Form

Prior to the interviews this general form was given to the interviewees. All the interviewees have individually signed the Informed Consent Form, which are available upon request.

Informed Consent Form

1. **Project Title:** ‘The impact of trade openness on the political power of individual states’
2. **Project Description:** The dissertation is focused on the impact of trade openness on the political power of individual states. This subject will be analyzed through two different International Relations theories; which are Realism and Liberalism. To give the dissertation an extra dimension the case of the World Trade Organization will be examined. Data will be collected through academic desk research, elite interviews and a social survey.

If you agree to take part in this study please read the following statement and sign this form.

- **I am 16 years of age or older.**

I can confirm that I have read and understood the description and aims of this research. The researcher has answered all the questions that I had to my satisfaction.

I agree to the audio recording of my interview with the researcher. I understand that the researcher offers me the following guarantees:

- All information will be treated in the strictest confidence. My name will not be used in the study unless I give permission for it.
- Recordings will be accessible only by the researcher. Unless otherwise agreed, anonymity will be ensured at all times. Pseudonyms will be used in the transcriptions.
- I can ask for the recording to be stopped at any time and anything to be deleted from it.
- I consent to take part in the research on the basis of the guarantees outlined above

Signed: _____

Date: _____

Appendix IV – Social Survey

Thank you for agreeing to take part in this important survey about the impact of trade openness on the political power of individual states. Today I will be gaining your thoughts and opinions in order to determine the perspective of the public towards the concepts of sovereignty of the state and trade openness. This survey should take 5-10 minutes to complete. Be assured that all answers you provide will be kept in the strictest confidentiality. Please click 'start' to begin.

Question 1; What is your gender

153 out of 153 people answered this question

1	Female	81 / 53%
2	Male	70 / 46%
3		2 / 1%

Question 2; How old are you

153 out of 153 people answered this question

1	21-25	65 / 42%
2	15-20	32 / 21%
3	26-30	26 / 17%
4	31-35	12 / 8%
5	40+	12 / 8%
6	36-40	6 / 4%
7	-15	0 / 0%

Question 3; What is your nationality

153 out of 153 people answered this question

1	Dutch	105 / 69%
2	Other	24 / 16%
3	German	8 / 5%
4	Spanish	8 / 5%
5	Danish	4 / 3%
6	Italian	2 / 1%
7	French	1 / 1%
8	Russian	1 / 1%

Question 4; Highest level of education completed

153 out of 153 people answered this question

1	HBO	52 / 34%
2	University	38 / 25%
3	HAVO	33 / 22%
4	VWO	17 / 11%
5	MBO	8 / 5%
6	Other	4 / 3%
7	VMBO	1 / 1%

Question 5; Who do you think should have the most power/ authority in a country?

153 out of 153 people answered this question

1	The elected President/ Prime Minister	118 / 77%
2	Other	17 / 11%
3	The King / Queen	10 / 7%
4	The Army	4 / 3%
5	The richest person	2 / 1%
6	The strongest person	2 / 1%

Question 6; Should the power be shared?

153 out of 153 people answered this question

1	Yes	145 / 95%
2	No	8 / 5%

Question 7; If answered yes by question 6; with whom should the power be shared?

145 out of 153 people answered this question

1	National political institutions	106 / 72%
2	The people	89 / 61%
3	International Governmental Organizations	41 / 28%
1	International political Institutions	40 / 27%
2	International Organizations	31 / 21%
3	Other	4 / 3%

Question 8; Do you think that in international agreements the most powerful countries are always the countries that make the decisions?

153 out of 153 people answered this question

1	Yes	111 / 73%
2	No	42 / 27%

Question 9; States should distance themselves from international trade

153 out of 153 people answered this question

1	No	131 / 86%
2	Yes	22 / 14%

Question 10; States should sacrifice their own self-interest in order to realize a goal that applies to more countries

153 out of 153 people answered this question

1	Yes	100 / 65%
2	No	53 / 35%

Question 11; States should always have the supreme authority to establish and enforce legislation

153 out of 153 people answered this question

1	Yes	102 / 67%
2	No	51 / 33%

Question 12; International cooperation will make a nation stronger

153 out of 153 people answered this question

1	Yes	143 / 93%
2	No	10 / 7%

Question 13; Governments should compromise their ability to rule the domestic economy

153 out of 153 people answered this question

1	Yes	85 / 56%
2	No	68 / 44%

Question 14; International economy contributes to the growth and expansion of domestic economies

153 out of 153 people answered this question

1	Yes	137 / 90%
2	No	16 / 10%

Question 15; International trade had more advantages than disadvantages

153 out of 153 people answered this question

1	Yes	134 / 88%
2	No	19 / 12%

Question 16; Self-sufficiency is preferable than dependency

153 out of 153 people answered this question

1	Yes	118 / 77%
2	No	35 / 23%

Question 17; International agreements are a positive contribution to a country

153 out of 153 people answered this question

1	Yes	137 / 90%
2	No	16 / 10%

Question 18; The consequences of international trade are:

153 out of 153 people answered this question

1	Increase of diversity and quality of consumer goods and services	117 / 76%
2	The opportunity to export domestic products in which the state has a comparative advantage	104 / 68%
3	Provision of jobs	89 / 58%
4	The promotion of efficiency	71 / 46%
5	The facilitation of the diffusion of technology	67 / 44%
6	Displacement of workers	44 / 29%
7	Possibility to destroy the national industry	40 / 26%
8	Treat to the culture and identity of a nation	31 / 20%
9	Other	3 / 2%

Question 19; It is a good thing that international organizations, such as the WTO, have the authority to declare government policies as impermissible

153 out of 153 people answered this question

1	Yes	96 / 63%
2	No	57 / 37%

Question 20; Sovereignty is an old concept which does not have the same importance anymore in modern politics

153 out of 153 people answered this question

1	Yes	97 / 63%
2	No	56 / 37%

Question 21; The way in which economy should be governed by a state should be in such a way that it promotes the wealth and welfare of the community of the state

153 out of 153 people answered this question

1	Yes	140 / 92%
2	No	13 / 8%

Question 22; States should monopolise the right to tax within territorial boundaries

153 out of 153 people answered this question

1	Yes	87 / 57%
2	No	66 / 43%

Question 23; The World Trade Organization should be able to change legislation of a country concerning taxation if they see fit

153 out of 153 people answered this question

1	No	110 / 72%
2	Yes	43 / 28%

Question 24; There is a coherency of moral principles in international relations

153 out of 153 people answered this question

1	Yes	100 / 65%
2	No	53 / 35%

Appendix V – Interview Transcripts

In this section the transcripts of all the .. interviews will be documented. The transcripts will be documented in the order in which they have been conducted, which means that the first transcript represents the first interview that was executed. The transcript is constructed as follows; the sections which are right-centred, and in a box with a slightly darker colour, will represent the text the interviewer said. The sections which are left-centred will represent what the interviewee said.

The order of the interviews was as follows;

1. Objective experts	Professor of History and political Science	05 August 2016
2. Political representatives	Members of the Ministry of Economic	12 August 2016
3. Political representatives	Member of the Ministry of Foreign Affairs	24 August 2016
4. Industry representatives	Members of the WTO	16 August 2016

Objective expert – Professor of History and Political Science

August 05, 2016. Conducted through E-mail

1 Thank you for agreeing to take part in this interview about the impact of trade openness on the
2 political power of individual states. Today, I will be gaining your thoughts and opinions in order to
3 determine the perspective of a professional. Be assured that all answered you provide will be used
4 only for the purpose of this thesis. Your name and profession will be displayed in the thesis as well.
5 The interview will consist out of 10 questions and several follow up questions. To start, could you
6 explain to me what you think the role of sovereignty has in today's society?

7 As the world continues to get more globalized, there's an intensifying debate concerning
8 sovereignty and to what extent nations should still advocate for themselves in terms of trade and
9 foreign policy. There are many concerns that international bodies are not addressing the concerns
10 of many in the West when it comes to trade, immigration, and terrorism.

11 Who should have, in your opinion, the supreme power/ authority in a country?

12 After my visit to the Netherlands last summer, I have become more friendly to the idea of
13 parliamentary systems of government. It looks to me like these system are constructed to create
14 more direct interaction between the government and the people and the government can be more
15 responsive to the concerns of the majority. The political system in the United States appears to be
16 unable to do this, as one party can control the presidency and another can control our Congress. I
17 also like that the political system in the Netherlands is set up to create a multi-party system rather
18 than the two party system we have in the United States. The American political system is designed
19 to make it difficult for the government to create problems, but it also makes it difficult for a newly-
20 elected government to fix problems created by a previous government. Our government does not
21 have a true sovereign head due to separation of powers.

22 Has the value of sovereignty changed over the years?

23 I think the idea of sovereignty has always been fluid and interpretations are always changing. Going
24 from the absolutists of the 17th and 18th centuries to the political theories of Locke, Hobbes, and
25 Rousseau, the ideas of popular sovereignty and national sovereignty have been a subject of
26 continued debate. With increased global cooperation, we're seeing another debate over the role of
27

28 national sovereignty regarding what role national sovereignty should play as the world continues to
get smaller.

29 Do you think that state sovereignty is being compromised in international trade?

30 Technically, it's not, as governments have agreed to these trade deals. As we have seen with Brexit
31 and the recent rejection of an EU trade agreement by Dutch voters, people within nations still have
32 a great deal of sovereignty when they choose to assert it. While I support international trade as a
33 liberal, I also realize how the sudden globalization of trade is affecting the working classes in the
34 West – people who used to have well-paying manufacturing jobs who are now dependent on social
35 welfare for subsistence.

36 Do you think it is important for states to participate in International trade?

37 There's no question on my mind that international trade is good for the state and the overall global
38 economy, but the state must do more to address the plight of workers whose lives have been upended
39 by trade agreements made by governments that are charged with protecting them. In the long run,
40 these trade deals will make the entire world more prosperous, but we cannot ignore the short
41 term. Although I am not a Keynesian, Keynes had a point when he said, "In the long run, we're all
42 dead."

43 What is your personal perspective towards international trade?

44 As a liberal, I am very much in favor of liberal trading policies, as the movement of goods and
45 services across the globe will allow for economic and technological progress. I think the goal is
46 feasible but precautions must be taken to provide a safety net for those who are taking the immediate
47 hit.

48 The World Trade Organization plays an important role in international trade, what do you think of
49 a supranational organization who is in charge of trade policies?

50 I am not a fan of the WTO. I think that nations should manage their own trade policies. I supported
51 Brexit because I believe that the British will be able to negotiate independent trade deals with the
52 EU and other trading partners (as long as the EU leaders approach the negotiation pragmatically and
53 not like children). The WTO is not democratically elected and does not consider how the trade
54 deals affect workers in each country. The very existence of the WTO is in violation of liberal

55 principles, as liberalism is about free trade on the basis of mutual self-interest – not some elusive
56 global interest. I think we would be seeing much less turmoil in the West right now if nations were
57 each managing their trade independently. It would take more work, but it's better than screwing
58 over your working class to make a few more bucks for the wealthy. I say this as a liberal – not a
59 socialist. This is a difficult issue for me as a liberal, because I should support free trade, but I don't
60 think the "free trade" we're seeing under the auspices of the WTO is truly free trade because free
61 trade is not managed by a bureaucracy.

62 What is your opinion towards the fact that the World Trade Organization can be described as an
63 organization that has an authority which stands above the authority of the national law of
64 individual states?

65 I do not think that the WTO, which is unelected and unaccountable to the people of any nation,
66 should be able to supersede national laws.

67 With the increasement of supranational organization, what do you think the role of the state would
68 be?

69 I think that the nation state should continue to exert itself in today's global society. In order to
70 liberalism to work, nations must make trade deals in their national self-interest. This is not to invoke
71 mercantilism or protectionism. Nations should strive for trade to be as free as possible in a way that
72 is fair to their working citizens.

73 Thank you for taking time out the participate in this interview, I truly value the information that
74 you have provided

75 I hope what I have written has made sense. The current situation has presented a challenge to my
76 liberal principles and I appreciate you giving me the opportunity to think about this issue and express
77 my opinion on the matter. **Dankjewel!**

Political representatives – Ministry of Economic Affairs

August 12, 2016. 09:30-11:00. Face-to-face at the Ministry of Economics

Member of the direction of General Economical Politics & Member of the direction of European and International Affairs

1 Om te beginnen wil ik graag even vertellen dat tijdens dit interview uw privacy zal worden
2 gewaarborgd. Uw naam zal nergens worden benoemd, alleen in mijn eigen persoonlijke
3 aantekeningen die niet zullen worden toegevoegd als bijlage in de scriptie. Daarnaast zullen de
4 antwoorden niet worden weergegeven als zijnde de mening/ standpunt van het ministerie, of de
5 mening van Nederland. De antwoorden zullen worden gepresenteerd als zijnde een standpunt
6 vanuit een professional. Om te beginnen kunt u mij iets meer vertellen over wie u bent en over
7 uw werkzaamheden, daarna zal ik toelichting geven over mijn scriptie onderwerp

8 Ik ben X1, ik werk hier op het ministerie bij de directie Europees en International zaken en ik denk
9 dat ik in één twee jaren, ik doe een aantal dingen, ik ben onder andere medewerker Rusland maar
10 vooral eigenlijk coördinatie handels politiek en wat betekend dat? Dat nou eigenlijk alles wat
11 Buitenlandse Zaken, dat is het ministerie wat nu eigenlijk alles het meeste dingen met
12 handelspolitiek doet, dus als je daar ook mee zou willen praten dan kan ik je nog doorverwijzen.
13 Maar zeg maar alles wat EZ raakt, ik heb dus heel veel contact met Buitenlands Zaken ze laten mij
14 weten 'oh ik heb nu dit en dit dossier specifiek op landbouw en dan praat ik weer met de landbouw
15 experts om te kijken of er nog specifieke aandachtspunten zijn of dat het raakt met andere dossiers
16 die lopen of dat er nog knelpunten zijn dus op die manier, zeg maar, gaat het meeste wat
17 handelspolitiek raakt en EZ weet ik ongeveer wel iets vanaf hoewel ik dus niet zeg maar expert
18 ben op alle terreinen heb ik ongeveer wel een overzicht van wat er speelt.

19 Oké, interessant

20 Ik ben X2, ik werk voor een andere directie, de directie Algemeen Economische Politiek, dat is
21 een beetje zeg maar de chieft econoom functie van het ministerie, daar zitten alle economen naar
22 economie te kijken. Ik ben macro-econoom dus ik heb vooral verstand van de laatste economische
23 ramen en dat soort dingen. Nou heb ik ook wel wat internationale economie voorbij zien komen
24 in mijn studie en dat soort dingen en af en toe ook wel in mijn werk, maar wij houden ons niet heel
25 specifiek bezig met handelspolitiek maar we schrijven af en toe wel eens wat over dit soort
26 onderwerpen. Dus ik zal misschien iets meer de economische kant herkennen en X1 iets meer de
27 juridische en politieke kanten van het verhaal denk ik, maar dat zullen we wel zien.

28 Mijn scriptie onderwerp is wat de invloed is van open handel op de politieke power van een
29 individuele landen. En het geen wat ik daadwerkelijk onderzoek is de soevereiniteit van een staat

30 beïnvloed word doordat een land de grenzen open zet voor open handel, en dan met betrekking
31 op de World Trade Organization. Bijna alle landen in de wereld zijn namelijk bij hun
32 aangesloten, en op het moment dat je je aansluit bij de WTO dan ga je automatisch akkoord met
33 de constitutie die vooraf is gemaakt door de WTO. Wat kan betekenen dat je als land je eigen
34 wetten zult moeten aanpassen zodat deze in lijn liggen met de WTO. Om het even heel
35 ongenueanceerd te zeggen. Ik bestudeer twee theorieën hierover, de realism en liberalism theorie
36 en ook even heel ongenueanceerd; de een zegt het is goed en de ander zegt het is niet goed, dit
37 maakt het natuurlijk een beetje zwart-wit en vandaar dat ik het graag met de realiteit wil kunnen
38 peilen. Want in de echte wereld is het natuurlijk niet zo makkelijk om zomaar ja of nee te zeggen
39 X1: en wat voor soort cases heb je tot nu toe al bekeken?

40 Ik heb vooral gekeken naar de United States, omdat dat echt als land op zichzelf staat, want
41 binnen Europa kijken ze vooral naar European Communities waardoor alle kleine landen samen
42 worden gezien. Ook door de Europese Unie zijn de landen binnen Europa iets lastiger te
43 onderzoeken. Dus vandaar dat de US heb gekozen, daarnaast is de US ook het land dat het vaakst
44 een case tegen zich heeft gekregen en hierdoor het vaakst een wet heeft moeten aanpassen

45 X2: oké, interessant. Wat werkt voor jou het beste? Wil je het lijstje vragen doorlopen?

46 X1: of he je nog andere vragen?

47 X2: voor mij maakt het niet uit, we kunnen gewoon heen en weer springen, wat je wil?

48 Ik dacht eraan om gewoon te beginnen met de eerste vraag en als we op een ander onderwerp
49 komen of als er een andere wending komt dan kunnen we altijd van de lijst afwijken. Ik had deze
50 vragen een beetje uitgewerkt als leidraad. Dan de eerste vraag; wat zou een reden kunnen zijn
51 voor een staat om mee te doen aan internationale handel?

52 X2: dit is misschien een beetje mijn expertise,

53 X1: ik weet hier ook wat van, maar begin jij maar en dan ga ik daarna.

54 X2: Waar het om gaat is in principe dat landen hebben verschillende kenmerken en daardoor zijn
55 ze verschillend goed in dingen produceren; goederen en diensten. Dit kan een historisch gegeven
56 zijn of omdat ze een bepaalde grondstof in de grond hebben, dat soort zaken. Bijvoorbeeld
57 Nederland kan goed gas oppompen omdat er gas zit. Vanuit dat perspectief is het gewoon efficiënt
58 om iedereen te laten doen waar hij het beste in is en dat kan alleen als je vrije handel hebt. Als je
59 goederen daar kunt halen waar ze het efficiënter worden produceert, dat is eigenlijk een beetje de
60 kern van internationale handel. En dan heb je altijd de discussie; wij profiteren ervan als we
61 exporteren, dit levert namelijk geld op maar hoe zit het dan met de import? Dit zien mensen soms
62 als een gevaar. Maar vanuit economisch perspectief is dat voornamelijk een voordeel omdat als je

63 kan importeren uit andere landen dan kun je goedkopere diensten inkopen voor diensten en
64 goederen maar ook goedkopere investeringsgoederen waardoor bedrijven efficiënter kunnen
65 produceren en ook goedkoper kunnen leveren. Kort gezegd komt het er eigenlijk op neer dat je
66 een efficiënter a lokactie hebt als je internationale handel hebt en per saldo zijn de voordelen groter
67 dan de nadelen. Dit geldt voor de hele wereld. En in principe zou dat ook voor een specifiek land
68 moeten gelden. Dat is eigenlijk een beetje de kern van het verhaal. Maar als je dan even iets verder
69 denkt dan zie je dat internationale handel zorgt voor extra concurrentie, ook binnen je eigen
70 economie en dat maakt jou eigen economie efficiënter. Dus als je 1 aanbieder hebt dan word die
71 een beetje lui en luister niet goed naar de klant en als je 10 aanbieders hebt dan verliest hij gewoon
72 de klanten op het moment dat hij niet luistert en hierdoor de concurrenten beter zijn dan hij. Zo
73 word internationale handel ook gezien, op het moment dat je buitenlandse spelers hebt dan heb je
74 misschien andere kenmerken, maar dan worden je eigen bedrijven geprikkeld om zo efficiënt en
75 zo goed mogelijk te zijn. Dit is een positief bij effect van buitenlandse handel. Om even uit te
76 wijden naar wat voor bedrijven zie je dan; wat zijn de kenmerken die zorgen voor handel? Over
77 het algemeen is het zo dat bedrijven die exporten naar Nederland of vanuit Nederland zijn over
78 het algemeen efficiënter en innovatiever. Dus het idee is ook een beetje dat als je handel toelaat
79 dat je eigen bedrijven innovatiever worden, dat sommige innovaties het land binnen komen, dat
80 management praktijken worden overgenomen. Dus al met al, is het voor een efficiënter werkende
81 economie en een innovatievere economie. En het uiteindelijke doel; welvaart voor je burgers is de
82 reden om mee te doen aan internationale handel.

83 Oké, dat is een heel goed antwoord! X1 zou u daar nog wat aan willen toevoegen?

84 X1: ja, ik kijk er altijd heel praktisch naar. We hebben natuurlijk ook nationale handel, ik bedoel
85 in Limburg wordt iets anders gemaakt dan in de Randstad, dus ik vraag dan altijd; waar leg je dan
86 uiteindelijk de grens? International handel betekend niet meteen dat je alles vrij moet geven, dat
87 is waar altijd de discussie over gaat. Wanneer heb je wel een import tarief en wanneer niet? In
88 principe zou je zeggen alles is vrij, maar daar worden politiek gezien natuurlijk keuzes in gemaakt.
89 Het is best wel abstract als je zegt dat een bedrijf innovatiever wordt; daarom kijk ik altijd gewoon
90 naar mezelf en denk dan; mijn iPhone had ik niet gehad als we geen internationale handen hadden,
91 ik had shirtje niet gehad, mijn BH niet, mijn hemdje niet, mijn panty niet, mijn rok niet, ik had
92 alleen maar in Texelse wollen truien kunnen rondlopen en dan had ik daar heel veel geld voor
93 moeten betalen want we zijn met 17 miljoen mensen en zoveel schapen zijn er niet. Ik probeer
94 altijd te bedenken wat ik allemaal heb wat van oorsprong uit het buitenland komt, of hoe een
95 bepaalde grondstof uit het buitenland erin verwerkt is. Zodat wij als Nederland groot hebben kunne
96 worden door de specifieke bewerking van dat product omdat wij daar weer technologie op kunnen

97 toepassen. Ik probeer het altijd heel concreet te maken, en dat is in politieke discussies soms heel
98 lastig want hoe maak je handel zichtbaar? Dat het voor iedereen is? Het is namelijk niet alleen
99 voor een goed voor een bedrijf, maar het betekend ook werkgelegenheid, het betekend ook dat jij
100 iets kan kopen voor een lagere prijs dan dat je anders zou moeten betalen als je maar 1 aanbieder
101 zou hebben. Als je 1 aanbieder zou hebben in Europa bijvoorbeeld, dat is dan een monopolist en
102 die vraagt er dan te veel voor en hij is niet efficiënt en innovatief genoeg. Wij willen allemaal het
103 liefst het nieuwste mobieltje wat Apple levert, en daarvoor hebben we handel nodig. We gaan niet
104 voor niets op vakantie overal kijken, wat is daar te koop en wat vinden we leuk. Mensen houden
105 van keuze en van vernieuwing dus daar moeten we dan ook als overheid goed naar kijken, hoe
106 faciliteer je dat, uiteraard wel op een goede en eerlijke manier. In principe zie ik geen reden
107 waarom je als land niet mee zou doen aan internationale handel. Als je kijkt naar bijvoorbeeld
108 Iran, zij zijn natuurlijk een tijdje afgesloten geweest van handel, maar ook daar was nog enige
109 handel. Zelfvoorzienend het kan wel maar alleen in bepaalde omstandigheden, voor bepaalde
110 landen die alles hebben. In Nederland zou dit niet mogelijk zijn want we zijn met te veel mensen
111 op een te kleine oppervlakte, en we hebben hier niet alle grondstoffen om zelfvoorzienend te
112 kunnen zijn, we hebben bijvoorbeeld geen ijzererts in de grond. Als Nederland specifiek zijn we
113 sowieso extreem afhankelijk van handel.

114 X2: ja dit zijn de economische argumenten, maar je hebt natuurlijk ook politieke argumenten,
115 bijvoorbeeld in de Iran kwestie, je legt restricties op de handel omdat je ze wilt straffen ergens
116 voor of omdat je vind dat ze sommige goederen niet mogen krijgen zoals bijvoorbeeld militaire
117 goederen, omdat je denkt dat het in de verkeerde handen slecht word gebruikt. Dan ben je in
118 principe niet tegen de handel zelf maar de beperking van handel is een middel om iets anders te
119 bereiken. En misschien in de Europese context is het nog relevant; na de oorlog hadden we het
120 idee 'we willen nooit meer oorlog' en de vrije handel binnen Europa is gebruikt om ons
121 afhankelijker van elkaar te maken, waardoor we veel meer belang hebben om samen te werken en
122 om de vrede te bewaren.

123 X1: Ja, je komt meer met elkaar in contact en daardoor kom je er achter 'oke die Duitsers zijn
124 eigenlijk heel normaal' bewijze van spreken. Of de Oostenrijkers dat zijn hele leuke mensen. Dus
125 alleen dat al is een positieve bijdrage.

126 X2: het is misschien niet het hoofddoel als je kijkt vanuit WTO perspectief, maar voor Europa is
127 het denk ik wel relevant geweest.

128 Een band opbouwen met een ander land, speelt denk ik ook wel een grote rol; omdat op het
129 moment dat er een band is ga je natuurlijk minder snel oorlog voeren met dit land.

130 X2: ik heb wel eens een artikel gelezen dat, waarin het schijnt dat we meer handel hebben tussen
131 landen die ook een koninkrijk zijn bijvoorbeeld, dat heeft dan weer te maken met we hebben
132 bepaalde relaties en het hebben van deze gelijkenis versterkt dat alleen maar. Dat zijn wel grappige
133 dingen.

134 denken jullie dat het belangrijk is om mee te doen met Internationale handel? We hadden het er
135 natuurlijk net ook al een beetje over; wat als je niet mee doet, wat zou dat kunnen betekenen
136 voor een land?

137 X1: is het niet het enige land dat niet mee doet Noord Korea ofzo? En ook daar is nog met China
138 een handelsverdrag

140 X2: En dan heb je nog, soms is het niet eens handel, maar dan stuurt een land hulpgoederen, een
141 beetje gratis handel. Je ziet gewoon hoe kleiner je bent hoe moeilijker het is om je eigen boontjes
142 te doppen, je hebt gewoon niet alle grondstoffen. En je kunt de producten vaak niet op de meest
143 efficiënte manier maken. Als wij energie moeten opwekken, wij kunnen bijvoorbeeld al geen
144 stroomcentrales gaan neerzetten, terwijl dat in IJsland prima kan. Wij kunnen misschien efficiënter
145 werken met windmolens en dergelijke. Het is gewoon inefficiënt, je kan er voor kiezen, het kan
146 een politieke keuze zijn om niet mee te doen aan internationale handel, dit is in het verleden ook
147 wel gedaan, maar het werkt gewoon niet zo goed. Het is in je eigen belang om mee te doen aan
148 internationale handel. Wat wel een verschil is, zijn de effecten op korte en lange termijn. De
149 positieve effecten van vrije handel zijn er niet meteen de dag nadat er een verdrag is afgesloten,
150 het kan ook zo zijn dat op korte termijn juist de negatieve effecten zichtbaar zijn voor specifieke
151 groepen. Bijvoorbeeld voor laag opgeleiden, en daardoor meer concurrentie hebben.

152 X1: Of een monopolist die zijn monopolie positie verliest.

153 X2: ja bijvoorbeeld, dit geldt natuurlijk ook voor bedrijven. Het kan zijn dat je ergens in werkzaam
154 was en dat de buitenlandse concurrent daar beter in is, dan heb je wel pech. Dit is dan ook een
155 reden waarom sommige mensen tegen internationale handel zijn, maar als je op de lange termijn
156 kijkt de mensen die dan werkloos worden die kunnen prima iets anders doen. Ik bedoel of ze nu
157 tomaten plukken of kapper zijn dat maakt in principe niks uit. Iedereen kan wel iets anders, vandaar
158 dat het idee is om op lange termijn zorgt de internationale handel niet voor minder
159 werkgelegenheid maar het zorgt er juist voor dat we productiever zijn.

160 X1: In Nederland hebben we een goed sociaal stelsel, er zijn mogelijkheden voor omscholing en
161 voor een uitkering. Dus het is niet zo dat als iemand werkloos raakt - het is natuurlijk heel vervelen
162 dat die specifieke baan er niet meer is, maar dat kan ook gebeuren door andere factoren. Er zijn nu
163 ook minder postbodes omdat we tegenwoordig minder brieven schrijven en meer via de computer

164 communiceren. Of je nu vergaat in technologie of dat je je open stelt voor handel, op het moment
165 dat de consument iets anders kiest dan betekend dat automatisch dat er minder werkgelegenheid
166 is in dat vak gebied. Niet alleen in het vakgebied, als je bij de HM kleren koopt en niet bij de Zara
167 dan betekend dat indirect dat je de werknemer van de Zara ontslaat. Dus de verantwoordelijkheid
168 ligt eigenlijk heel vaak bij de ons allemaal. En op het moment dat je als samenleving verder komt
169 zal er altijd een shift zijn in soorten werkgelegenheid. Het is denk ik gewoon van belang, dat we
170 er heel goed op letten als overheid van de samenleving dat er wel een systeem is die mensen die
171 tijdelijk van baan moeten wisselen de mogelijkheid krijgen om zich zo te ontwikkelen dat ze
172 optimaal weer ergens anders aan de slag kunnen.

173 X2: het debat over internationale handel en de dreiging van China dat is veel fermer in bijvoorbeeld
174 de Verenigde Staten dan bijvoorbeeld hier, juist vanwege het aspect dat de overheid ervoor zorgt
175 dat mensen enige inkomensondersteuning hebben en dat doen ze in de verenigde state veel minder.
176 Hierdoor voelen de mensen de korte termijn dreiging ook sterker, daarom is het wel een belangrijk
177 aspect om te evalueren.

178 X1: Hoe ziet het sociale stelsel in een land in elkaar. IN Amerika is het mogelijk dat je tot je 80ste
179 moet werken omdat er geen pensioen opbouw is en alles is failliet gegaan bijvoorbeeld. Het hangt
180 allemaal met elkaar samen.

181 X2: Maar goed, je zult ons niet echt horen pleiten tegen internationale samenwerking. Het kan om
182 politieke redenen. Je scriptie gaat over soevereiniteit, dat is het natuurlijk, je kiest er zelf voor om
183 mee te doen aan internationale handel en daardoor om een deel van de soevereiniteit op te geven.
184 Maar dat doe je wel met idee dat je er zelf beter van word. En als je soevereiniteit het belangrijkste
185 goed vind, dan kun je kiezen om alle grenzen dicht te gooien natuurlijk.

186 Maar goed dat heeft dan ook weer negatieve andere effecten.

187 X1: Ja, massa werkloosheid en armoede

188 Denken jullie dat in internationale samenwerking het vaak de grootste en de machtigste landen
189 zijn die bepalen wat er gebeurd als er een beslissing word gemaakt?

190 X1: ik denk dat dat heel erg afhangt van de context. Je hebt natuurlijk de G7 de G8 de G20, wat
191 besluiten zij dat ze überhaupt. Op heel abstract niveau heb je natuurlijk ook Europa waarin je stem
192 verhoudingen hebt, welk land heeft relatief meer stemmen en welk land niet. En in de WTO is het
193 natuurlijk sowieso consensus, dus daar moet iedereen het ergens mee eens zijn voordat er iets
194 besloten word. Dus dat zou ik niet 1,2,3 willen zeggen. Het is natuurlijk wel zo dat een groot land
195 meer capaciteit heeft om hun standpunt uit te dragen, omdat ze gewoon veel meer mensen kunnen
196 betalen. Maar dat betekend niet per definitief dat ze gelijk krijgen, zeker omdat een groot land

197 soms veel aversie opwekt. Ik bedoel de VS zal niet altijd 100% zijn zin krijgen. Of kunnen
198 doordrukken, zeker niet in de WTO omdat daar zo ontzettend veel landen lid zijn, en omdat
199 iedereen altijd totaal iets anders wilt. Het is namelijk niet voor niets dat er volgens mij al ongeveer
200 15 jaar een echt akkoord is gesloten. Er zijn wel deel akkoorden gesloten, met steeds stapjes, maar
201 op sommige punten zijn ze er nog steeds niet helemaal over uit.

202 X2: dat geeft eigenlijk aan dat landen wel iets kunnen tegen houden, maar zijn het dan vooral de
203 grote landen? India is groot in het aantal personen maar misschien niet in de omvang van economie
204 zo zeer.

205 X1: WTO is echt consensus, dus als we er niet met zijn alle uit komen dan gaat het hele feestje
206 niet door. De regels die zijn afgesproken bij de WTO zijn zeg maar het minimum van het minimum
207 wat je samen afsprekt wat dan een soort van de afspraak is. En dat is dan ook de reden waarom
208 je binnen de EU hele andere afspraken maakt, die veel verder gaan. In handelsakkoorden word
209 soms gezegd 'oké dit is the bare minimum vanuit de WTO, vanuit waar je begint, maar wij met
210 zijn 2en willen dat eigenlijk dat niveau iets hoger tillen. Want wij vinden dat dit nog beter kan.
211 dus laten we tussen ons afspreken dat we zo en zo handel gaan verbeteren.

212 X2: Maar goed als je het hebt over de meeste macht zoals het hier staat, ja dan is het natuurlijk
213 wel waar. In de WTO als iedereen evenveel macht heeft dan bepaalt iedereen evenveel, door de
214 manier waarop je de stemmen hebt geregeld. En in Europa is het zo dat Duitsland meer macht
215 technisch omdat ze meer stemmen hebben. Dus in die zin klopt het wel. Je moet wel altijd de vraag
216 stellen, waar komt die macht dan uit voort? is het dan een soort stemrecht of, soms heb je macht
217 omdat je een bepaalde kennis hebt. Dat kan ook, dat wij iets meer macht hebben als het gaat om
218 veiligheidsissues omdat we hier een international criminal court hebben en dat soort zaken.

219 X1: ja en dat daardoor iedereen naar ons luistert en met ons meegaat. Soms kun je een soort coalitie
220 vormen waardoor de meeste stemmen gelden maar bij de WTO gaat het om een consensus waarbij
221 iedere stem evenveel geld en iedereen het er mee eens moet zijn. Bij de EU is het per dossier
222 verschillend of dat je een meerderheid moet hebben of unaniem.

223 X2: En macht hangt natuurlijk ook af van, in hoeverre ben je in staat om andere te beïnvloeden. je
224 hebt gewoon landen die zijn daar beter in dan andere landen. Macht komt uit verschillende hoeken
225 en dat kan zijn omdat je groot bent, omdat je rijk bent, omdat je meer stemmen hebt, maar het kan
226 ook zijn dat je meer kennis hebt, meer ervaring hebt.

227 X1: Er is natuurlijk ook altijd weer het verschil in internationale context waarbij je met een groep
228 bent en bilateraal. laten we wel zijn als je Nederland tegenover een heel groot land zet dan is er in

229 zekere zin sprake van machtsverschil omdat wij gewoon heel klein zijn. Maar goed, je hebt altijd
230 elkaar nodig.

231 Denken jullie dat de staat zijn eigen belang op een 2e plaats zou moeten zetten om een groter
232 gezamenlijk doel te realiseren?

233 X1: zoiets als milieu bedoel je?

234 Ja, bijvoorbeeld

235 X1: Dit is altijd een beetje lastig, want met klimaat moet je altijd kijken, doen we allemaal iets of
236 een paar mensen wat dan uiteindelijk ook niet echt helpt. Het speelt ook een beetje met
237 visbestanden. Als wij stoppen met vissen, maar de Duitsers en de Engelsen gaan drie keer zo hard
238 door dat helpt dan ook niet. Dit zal echt in gezamenlijkheid besloten moeten worden. Als je dan
239 met zijn alle daar een afspraak over maakt. Dan is het maar net de vraag of je echt je belang op
240 een 2^e plaats zet, want het hogere belang is dan eigenlijk ook jou belang.

241 X2: waar het volgens mij op neer komt is dat vaak met zoiets als klimaat is het in ons eigen belang
242 als iedereen mee doet. Alleen is het een soort van spel theorie, je kan gewoon free riden en het aan
243 de rest over laten, maar dan weet je al dat het onderhandeling technisch erg lastig is. Des al niet te
244 min heb je soms landen die zeggen we gaan toch het goede voorbeeld geven want we vinden dit
245 enorm belangrijk en we hopen dat andere landen ons voorbeeld gaan volgen. Maar het kan best zo
246 zijn dat ze op korte termijn op ene bepaald aspect, industrie bijvoorbeeld, ze zichzelf in de vingers
247 snijden. Per onderwerp is het verschillend hoe je er mee om kunt gaan. Welk doel je wel realiseert
248 en welke je dus even op zij zet omdat de rest niet volgt. Of je dat zou moeten doen? Het is een
249 beetje een normatieve vraag zoals je hem neerzet, kijk, in principe moet je als overheid proberen
250 zo veel mogelijk welvaart in den brede voor je burgers, dus moet je in principe wel streven om
251 bijvoorbeeld het klimaat te verbeteren. Maar je moet daar wel pragmatisch in zijn. Daarom zie je
252 ook vaak dat mensen hele grote doelen roepen maar in de praktijk blijken die afspraken veel kleiner
253 te zijn. Je kan zeggen dat is slecht, maar aan de andere kant we hebben wel ergens een streven
254 waar we naar toe willen en als je het daar wel over eens kunt worden dan weet je wel een richting
255 waar je langzaam naar toe werkt, stap voor stap. Het is dom om helemaal alleen op te treden in dit
256 soort dingen, af en toe zul je het misschien doen, maar het is uiteindelijk wel in je belang om
257 gezamenlijk overeen te komen. Dit is met handel zo maar ook met onderwerpen zoals klimaat.

258 We hadden het er net al een beetje over, maar denken jullie dat internationale samenwerking een
259 land sterker maakt?

260 X2: sterker in welke zin?

261 Niet zo zeer sterker als in power maar een beter en welvarend land zeg maar, betere
262 ontwikkelingen, betere condities voor inwoners, meer mogelijkheden om keuzes te maken, meer
263 zelf ontwikkelingsmogelijkheden, meer werkmogelijkheden.

264 X2: Ik denk dat het antwoord bijna altijd ja is. Je werkt eigenlijk zelden samen op iets wat slecht
265 is voor jezelf. Anders word je het gewoon niet eens. Dus eigenlijk per definitie al word je er beter
266 van. Je hebt natuurlijk wel uitruilen, Als bijvoorbeeld Amerika dit wil dan en wat dat, dan geef je
267 iets in waar je misschien een beetje slechter van word om uiteindelijk te krijgen wat in eerste
268 instantie wilde. Je mag er eigenlijk wel vanuit gaan dat je er beter van word. Het is niet zo dat wij
269 met pistolen op ons hoofd allemaal samenwerkingen ondertekenen. Dus ja ik denk dat het
270 inderdaad waar is ja. Voor de economie geldt het, in de zin van welvaart dan denk ik dat deze
271 sterker word. En wat ik ook al zei internationale concurrentie en dat soort dingen, maakt ook je
272 eigen bedrijven sterker, dat ze minder lui zijn en steeds proberen om de beste te blijven anders
273 worden ze weg geconcentreerd. Daarom zal het je intern sterker maken. Het is een soort
274 prikkelwerking, van sommige soorten samenwerkingen, in ieder geval bij handel geldt dat.

275 X1: Op internationale samenwerkingen geldt dat op heel veel vlakken, er zijn zo veel vormen en
276 dan is het altijd even de vraag van maakt het je sterker? Je doet het natuurlijk ook vanuit 'wat
277 vinden wij als samenleving belangrijk in internationale samenwerking' vinden we internationale
278 rechtsvorming belangrijk dan gaan we werken aan het strafhof. Maar ik denk wel dat internationale
279 contacten je altijd veel brengen als land omdat je weer nieuwe voorbeelden krijgt, nieuwe
280 gedachtes, en dat helpt je altijd weer om beter te worden. We hebben natuurlijk ook een soort
281 ideeën uitwisseling, dat we aan Duitsland vragen joh hoe hebben jullie de energie geregeld en
282 kunnen wij hier iets van leren? Kunnen we mee kijken hoe jullie dat doen, leg dat eens uit? Dat
283 doen wetenschappers natuurlijk ook. Je wilt die hoeveelheid aan ideeën op dat gebied ook gewoon
284 meemaken. Omdat je er zelf weer ideeën uithaalt en daardoor verder kan komen. Het is een beetje
285 een abstracte vraag, het hangt van heel veel factoren af, maar volgens mij is wel altijd het doel dat
286 je als natie sterker wordt.

287

289 X2: Op het moment dat je ervanuit gaat dat een land soeverein is en niet een soort van marionetten
290 van een ander land dan zou je mogen verwachten dat dat land weet hoe die beter wordt van een
291 samenwerking anders doen ze het namelijk niet.

292 Denken jullie dat het goed is dat een overheid de mogelijkheid om de binnenlandse economie te
293 regeren voor een deel opgeeft? Om hierdoor mee te kunnen doen aan internationale handel?

294 X1: dit komt een beetje op het stuk over de WTO, over wat ze wel en niet doen zeg maar. Dat
295 maakt het een beetje lastig. Als je toetreedt tot de WTO dan spraak je af, we doen dit dit dit en dit,
296 dit soort tarieven ga ik niet verhogen ik ben transparant hier en hier over. Dus op dat moment leg
297 je vast wat je als land gaat doen, als je daar vanaf wilt stappen dan, of er is discussie van voldoe je
298 hier nu wel of niet aan, dan kunnen ze bij de WTO naar het arbitrage tribunaal stappen. Maar als
299 daar uitspraken in komen, dan is dat niet meteen dat je de mogelijkheid opgeeft om je binnenlandse
300 economie te regeren. Het hangt er vanaf, als je kijkt naar cases die de VS heeft moeten aanpassen,
301 dan moet er goed gekeken worden naar of die wetten er waren voor of na de afspraken, en hoe ze
302 liggen met betrekking tot die afspraken. Het is de vraag of ze niet de afspraken met andere landen
303 aan het schenden waren. Het is natuurlijk een beetje gek, als je eerst zeg we gaan A doen en een
304 halfjaar later wil je opeens C gaan doen. Dan roepen een paar landen; ho even je zou A doen, en
305 vervolgens moeten ze dan C gaan aanpassen naar A, en dan is het even de vraag heb je die vrijheid
306 dan opgegeven? Of ga je tegen je belofte in? Ik vind het altijd een lastige discussie.

307 X2: op het moment dat je iets internationaal afsprekt dan geef je iets van soevereiniteit op, maar
308 het is wel zelf gekozen. Er kunnen nadelen aan zitten, het kan bijvoorbeeld dat er iets in de hele
309 wereld gebeurt, maar niet bij jou, dan kan het zo zijn dat er maatregelen worden genomen die niet
310 zo zeer van toepassing zijn voor jou, dat kan gebeuren. Dat hebben we bijvoorbeeld gezien tijdens
311 de Euro crisis in Europa. Er kunnen dan wel nadelen aan zitten. Daarom kan het zijn dat sommige
312 beleidsmatige maatregelen meer van toepassing zijn op het ene land dan op het andere land.

313 X1: Nu heb je het over Europa, de EU kan natuurlijk wel bepaalde dingen afleggen, terwijl bij de
314 WTO spreek je zelf een basis af. Het is niet zo dat de WTO zelf een nieuwe regel verzint die dan
315 aan iedereen opgelegd wordt. Het is hoogstens dat er discussie kan zijn over wat jij belooft hebt
316 en misschien niet of niet helemaal na komt. En dan wordt er gekeken naar, wat stond daar nou
317 eigenlijk, wat heb je nou precies toegezegd. Het is belangrijkste dat is afgesproken binnen de WTO
318 is transparant zijn, dat je aangeeft dat je iets verhoogd of niet. Het op de hoogte stellen van mensen
319 is iets wat belangrijk is, als import tarieven worden verhoogd moeten mensen er van op de hoogte
320 zijn. Het is natuurlijk niet helemaal eerlijk als iemand ergens graan koopt en als hij dan bij zijn
321 schip komt er in een keer blijkt dat er nog 300% belasting moet worden betaalt, want dit is tussen
322 door even verzonnen maar niet bekend gemaakt. Het is dus vaak ook een soort zekerheid die je
323 met elkaar afsprekt, waar kan handel op vertrouwen. Het hangt dus vooral van de soort
324 samenwerking af of je echt alle opties opgeeft of dat je nog enige inspraak hebt.

345 X2: het is een soort wisselwerking, het is nooit zo zwart wit van je geeft alle mogelijkheden op

346 Dat is natuurlijk zo, je gaat ergens mee akkoord op het moment dat je lid wordt van de WTO of
347 de EU of welke organisatie dan ook en daar moet je je dan ook aan houden. En dit heeft altijd
348 voor en nadelen

349 X2: soms kun je dan ook weer profiteren van de voordelen van anderen, doordat zij rijker worden
350 kopen ze meer producten in ons land bijvoorbeeld. Soms, nou ja vaak wordt het gecompenseerd.

351 Wat zouden positieve bijdragen kunnen zijn voor een staat als zij meedoen aan open handel?

352 X1: behalve werkgelegenheid, welvaart? Dan moet je heel erg in detail gaan kijken, je krijgt
353 bijvoorbeeld ook nog inkomsten door import tarieven, dat wil je natuurlijk eigenlijk niet. Want dit
354 is een soort extra belasting die je hebt. Ja wat kan internationale handel bijdrage?

355 X2: ja volgens mij hebben we het er al een beetje over gehad, vooral positieve dingen. Dus
356 eigenlijk alles wat er net allemaal benoemd is.

357 Vroeger had je dat een land heel erg gecentreerd was op zichzelf, van niemand afhankelijk zijn
358 en beslissingen maken die alleen gericht op zichzelf zijn, vooral niet samenwerken met andere
359 landen want dat zou 'ons' kunnen schaden, denken jullie dat in dat opzicht het concept van
360 soevereiniteit is veranderd in de loop van de jaren?

361 X2: dan ga je het een beetje vergelijken met een honderd jaar geleden. Misschien zelfs langer,
362 zelfs in de 19^e eeuw is er een periode geweest waarin best wel veel vrije handel was.

363 X1: dan gaan we het met iets vergelijken waar ik helemaal geen verstand van heb.

364 X2: ja dan gaan we inderdaad erg ver terug, maar natuurlijk. Het komt met golf bewegingen, er
365 zijn periodes geweest waarin we meer protectionistischer zijn geweest en waar komt dat door? Dat
366 vind ik lastig om te zeggen, misschien omdat de perceptie van wat het oplevert anders is, of om
367 politieke redenen, of omdat het systeem niet goed gewerkt heeft, maar in principe, in de afgelopen
368 twee eeuwen is er eigenlijk wel erkend dat internationale handel daar worden we zelf beter van.
369 En dat kost iets aan soevereiniteit maar uiteindelijk doen we het allemaal wel. vroeger had je
370 landen die niet zo economisch ontwikkeld waren en nergens aan meededen, maar die zijn wel gaan
371 aanhaken aan al die systemen die de westerse wereld heeft verzonnen want hebben ze zelf
372 ontzettend veel baat bij. Je houdt altijd de discussie, mensen willen wel de voordelen maar niet de
373 nadelen. Dat zie je nu bijvoorbeeld in de VK rondom de brexit. Ze willen wel nog steeds heel
374 graag al die handel kunnen doen, maar ze willen niet dat migranten kunnen werken in dat land.
375 Dat hou je altijd, er zal altijd een soort spanning en discussie zijn over soevereiniteit en hoever
376 geef je er iets van af. En dat zal blijven denk ik. Of het nu anders is dan vroeger, ik geloof wel dat
377 er periodes zijn geweest waarin mensen enthousiaster zijn geweest over internationale
378 samenwerking, dan nu.

379 X1: soevereiniteit is natuurlijk ook een vrij breed begrip, je bent eigenlijk altijd zo soeverein om
380 te zeggen we gooien alle grenzen dicht en doen niet meer mee. We stoppen met alle internationale
381 verdragen, dat zou je in theorie kunnen doen. Maar dat is extreem theoretisch, en dan is de vraag;
382 wat wil je daar mee?

383 X2: het is wel zo, zodra je mee doet aan een internationale overeenkomst, kun je er ook over mee
384 praten. Als je zegt wij doen niet mee, de wereld gaat wel gewoon door op haar manier en dan heb
385 je nul invloed. Dan heb je wel soevereiniteit maar heb je nou echt evenveel te zeggen in de wereld?
386 Voor een klein land geldt dat je sowieso niet zo veel te zeggen hebt, dus een stukje opgeven van
387 die vermeende soevereiniteit kan eigenlijk alleen maar in je voordeel werken. Zo kun je er ook
389 naar kijken? Je wordt sowieso geregeerd door de ontwikkelingen van de rest van de wereld. Maar
390 goed, daar zal een land als Amerika anders tegen aan kijken, omdat zij gewoon veel groter zijn en
391 veel meer dingen zelf kunnen doen, meer invloed hebben. Zij voelen dat misschien wat minder,
392 nouja de opkomst van China heeft een groot effect op hun economie.

393 X1: in de praktijk zie je dat elk land elke keer die afweging weer zal moeten maken. In politieke
394 context zie je dan ook die golven, de ene keer vind de samenleving dit en de andere keer vindt de
395 samenleving dat. Daar moet de politiek ook steeds naar kijken, wat vinden de burgers? Wat vinden
396 wij met ze alle nu echt belangrijk? Het is wel belangrijk dat je tussendoor naar de feiten blijft
397 kijken en niet alleen naar het gevoel. Dit komt niet altijd overeen met elkaar. Dat zie je ook in de
398 Brexit, waarin in kleine dorpjes heel erg veel tegen de EU waren maar groot ontvangers waren van
399 subsidie geld die ze als er brexit is misschien kwijt zullen raken en niet van de VK zullen krijgen.

400 X2: daarnaast hebben we nu ook de technologie om iedereen te laten profiteren van open handel.
401 Het is niet meer alleen voor de elite. Je snijdt jezelf veel sneller in de vingers als je besluit om er
402 niet aan mee te doen. Vroeger gold nog dat het heel duur was om die specerijen van de andere kant
403 van de wereld te halen, nu kan iedereen die betalen. Ik denk dat dat zeker relevant is, als er druk
404 staat om de boel vrij te houden. We verliezen nu veel meer dan toen. Ook in die tijd was er
405 natuurlijk handel.

406 X1: ik denk dat de handel nu een stuk soevereiner is dan vroeger, vooral voor de landen met wie
407 we handelden. We hebben hier zelf natuurlijk ook een apart verleden in. De handel tussen ons en
408 bijvoorbeeld indonesie was misschien niet heel eerlijk. Dat is niet echt handel te noemen, dat was
409 meer aan het werk zetten en alles is van ons. Als je dan naar de context van nu kijkt is de handel
410 wel eerlijker geworden.

411 Denken jullie dat het goed is dat er een organisatie is, in plaats van een land die 'toezicht' houdt
412 op wat de norm is in handel?

413 X1: WTO organiseert het niet natuurlijk, zij zijn een soort platform, een zaal waar iedereen kan
414 zitten en met elkaar kan praten. Een plek waar we met zijn alle kunnen kijken van wat is dan die
415 base level, het niet zo dat zij echt een speler zijn die kunnen zeggen wij manage dit end it zijn de
416 regels. Dat zijn uiteindelijk de lidstaten die het met elkaar afspreken. Net als de VN, is het eigenlijk
417 een forum. Dus ik denk dat het goed is om z'n plek te hebben, als er nou een conflict is dan kun
418 je daar neutraal heen om te kijken naar een oplossing. Er is een platform om met elkaar te praten.
419 Als er geen platform is, dan moet je zelf als land gaan voorstellen van zullen we het er over hebben,
420 dan zullen een paar landen reageren en de rest laat het afweten. En dan krijg je alle vragen van;
421 waar gaan we dan zitten? Waar gaan we heen? Hoe gaat we dat doen? Wie nodigen we uit? Wie
422 niet? Het bij elkaar komen wordt dan al een gedoe

423 X2: klopt, de coördinatie van dit alles is al een gedoe. Om het daar over eens te worden om
424 überhaupt te gaan praten en met wie dan, en dat is al opgelost door een forum. Als je het door 1
425 land laat doen, die heeft natuurlijk eigen belangen, en die kunnen tegengesteld zijn aan het
426 gezamenlijke belang, en dat is in de regel gewoon al niet handig. WTO is dan misschien niet een
427 zelfstandige organisatie die zijn gehele wil kan opleggen, maar in sommige terreinen bestaat zoiets
428 wel, en is dat ook wel logisch omdat je dan dingen kan afdwingen.

429 X1: Europa is natuurlijk een meer supranationale organisatie, dat de commissie met een voorstel
430 komt, en dan lidstaten daarover kunnen stemmen.

431 X2: zo'n forum bied natuurlijk een soort zekerheid, dat als er iets is je daar heen kan gaan. Dit
432 soort afspraken hebben we in Nederland zelf natuurlijk ook, als je autopech hebt bel je de
433 wegenwacht en niet de gemeente. Het biedt een soort rust en zekerheid dat als je weet er is iets
434 dan kan ik daarheen stappen.

435 X1: en je hoopt natuurlijk dat je hierdoor ook voorkomt dat er iets is. Je kan wel allemaal regels
436 overtreden, en als je er niet op wordt afgerekend dan doe je dat natuurlijk ook. Maar als je weet
437 dat je ergens op afgerekend kunt worden dan bedenk je je nog eens.

438 X2: hetzelfde als een rechtsstelsel. Waarom hebben we een rechtsstaat?

439 X1: dit betekend natuurlijk niet dat er dan geen fouten meer worden gemaakt, want een wereld
440 zonder fouten dat kan eigenlijk niet. Maar er is dan een neutrale plek om naar toe te gaan. Er gaat
441 altijd wel een keer iets fout, en daarom is het goed om te kijken naar een systeem die dat een beetje
442 kan opvangen.

443 Denken jullie dat hoe de WTO het heeft georganiseerd, een goede manier is om een conflict op
444 te vangen?

445 X1: ja, dan zou je eigenlijk eens met de WTO experts moeten gaan praten, bij bz. Ik weet het
446 eigenlijk maar heen globaal. Het is een manier om naar een conflict te kijken, het is een
447 mogelijkheid om breed naar een probleem te kijken en te adresseren. Dus er zal vast, als je met
448 juristen gaat praten, nog een hele hoop verbeterd kunnen worden. Maar er functioneert iets. Ik vind
449 het lastig om te zeggen, het functioneert heel goed want ik weet dat er wel dingen spelen, en nouja
450 ik zou je daarvoor echt naar buitenlandse zaken doorsturen. En nouja, we kunnen misschien wel
451 vinden dat het beter moet maar we zitten met super veel landen in de WTO, en we moeten iets met
452 zijn alle afspreken, nou probeer dat maar eens. Je moet daarin wel reëel zijn, als je al vind dat er
453 iets verbeterd moet worden, hoeveel man kracht ga je daar tegenaan zetten. Dat is een afweging
454 die je moet maken.

455 X2: er zijn grote cases die daar spelen, en die daar lopen. Het heeft niet zo'n grote preventieve
456 werking dat niemand meer iets overtreed, het is dus niet een perfect systeem. Maar als je als je
457 kijkt; houden landen zich ongeveer aan de WTO regels? Ik weet niet of ik dat mag zeggen maar
458 ik denk het wel. het is niet zomaar iets wat op papier staat, er zijn veel landen die zich er wel aan
459 houden. Dus het heeft meerdere kanten, en de waarheid ligt ergens in het midden. Denk dat het
460 ook erg afhangt met wie je spreekt, en of zij positief of negatief zullen zijn.

461 X1: wij zijn eigenlijk al heel blij dat er iets is!

462 X2: ja als we dit niet hadden dan waren ze sowieso een stuk slechter dat weten we wel.

463 X1: ik denk ook dat sommige landen niet de capaciteit hebben om sommige dingen goed uit te
464 voeren, dat ze het misschien wel willen maar gewoon simpel weg niet kunnen.

465 We hebben het er net al een beetje over gehad, als een land zegt we doen A en voert dan wet
466 nummer C in, wat vinden jullie ervan dat een WTO in dit geval, zulke landen mensen terecht te
467 wijzen dat het wet A moet zijn ipv C.

468 X1: net als in Nederland, waarin iedereen bij het wet van bestuur een klacht in kan dienen, is de
469 dit ook een soort klachten forum, maar dan internationaal. Ik weet hier niet het fijne van, maar in
470 principe kan je wel je wet van A naar C veranderen maar zul je dit volgens de regels moeten doen,
471 je zal hier transparant over moeten zijn, mensen over moeten informeren en misschien mensen
472 compenseren wanneer dit nodig is. Dus het is niet zo dat C opeens helemaal niet meer mag. Weet
473 dat je mogelijk wel mensen pissig maakt ergens in de wereld, maar dit kan dan weer diplomatiek
474 opgelost worden. Maar je probeert wel een soort systeem te creëren waardoor je accountable bent
475 voor de dingen die je doet. En je kan dus niet zomaar alles doen.

476 Nou, dat waren al mijn vragen. Hartstikke bedankt dat jullie de tijd hebben genomen om met mij
477 te praten!

Political representatives – Ministry of Foreign Affairs

August 24, 2016. 10:00-11:00. Face-to-face at the Ministry of Foreign Affairs

1 Allereerst, bedankt dat u de tijd hebt genomen om met mij over mijn scriptie te praten. Graag zou
2 ik u willen vertellen dat tijdens het gehele interview uw privacy zal worden gewaarborgd. In de
3 scriptie zal nergens uw naam worden genoemd, om uw visie te beschrijven zal u omschreven
4 worden als een profesional. Daarnaast zullen de antwoorden die gegeven worden in dit interview
5 niet worden weergegeven als de visie/ mening van de overheid van Nederland, noch als de mening
6 van het Ministerie. Daarnaast zal dit interview alleen gebruikt worden voor mijn scriptie en voor
7 geen andere doeleinden. Zou u voordat we beginnen me iets over uw zelf kunnen vertellen?

8 Ik ben X3, ik werk inmiddels 4,5 jaar op de directie internationale handelspolitiek en
9 markttoegangsvraagstukken. Dus alles wat eigenlijk te maken heeft met internationale handel dat
10 zit in dat cluster. Hiervoor zat ik bij het Ministerie van Economische Zaken en daarvoor was ik
11 beleidsmedewerker bij het centraal plan bureau, dus meer wetenschappelijke onderzoeken. Hier
12 op de afdeling heb ik verschillende dossiers gehad, ik denk voor dit het meest relevante is het
13 WTO dossier, dit heb ik ongeveer 2 jaar gehad, heb ik te maken gehad met internationale
14 onderhandelingen waarbij we als Nederland natuurlijk een beetje op een afstandje staan, in ieder
15 geval bij de WTO omdat de EU daar het woord doet. Andere dossiers die ik nu nog doe is
16 bijvoorbeeld OEZO, dat zijn ook multilaterale handelsverdragen. En in de EU doe ik anti-dumping
17 en de autonome wetgeving, weet je wat dit inhoud?

18 Ja, ik heb er wel van gehoord. Bij de WTO kwam de anti-dumping ook een aantal keren naar
19 voren.

20 Ja 90% van alle WTO zaken gaat over anti-dumping, het is een heel technisch onderwerp maar het
21 is wel heel belangrijk, er gaat ook veel economisch belang in om. En ik ben ook betrokken bij de
22 club die de autonome wetgeving doet vanuit de EU. De EU doet veel met handelsakkoorden maar
23 sommige handelswetgeving doen ze ook op eigen initiatief. Zo hebben we recent een verordening
24 gerechtvaardigd over conflict mineralen dat de EU de handel in conflict mineralen beter wil
25 reguleren. Dit zijn verdragen op eigen initiatief, dit is niet op WTO verplicht, dit komt niet voort
26 uit een handelsakkoord maar is zelfstandige wetgeving. En het comité waar dat wordt besloten
27 daar ben ik sinds het afgelopen halfjaar ook betrokken bij geweest. Dan komen 28 lidstaten samen
28 om samen een wetgeving te maken, dus dat is wel interessant.

29

30 Ja dat is zeker interessant. Veel verschillende dingen maar wel erg interessant lijkt mij.

31 Ja dat is het zeker, het is een leuke club om te werken, dus als je nog een keer op zoek bent

32 Dat zal ik zeker in mijn achterhoofd houden. Nou, zullen we beginnen met de eerste vraag? Wat
33 zou een reden kunnen zijn voor een staat om mee te doen aan internationale handel?

34 De welvaart, de economische welvaart motieven. Internationale economie zegt toch wel dat
35 internationale handel goed is over het algemeen voor een land. Omdat het leid tot efficiënt
36 productie, het leid tot betere specialisatie, het leid tot meer keuze voor consumenten, allemaal dat
37 soort factoren spelen daarin een rol, daarbij wel de bijsluiter dat het de welvaart voor het land
38 vergroot over het algemeen maar niet voor ieder individu in dat land. Dus de taart word groter
39 maar de verdeling van de taart is niet proportioneel perse, dus het zou wel gepaard moeten gaan
40 met interne aanpassingen. Als iedereen er baat bij zou moeten hebben dan zou je wel intern her
41 moeten gaan inrichten maar ik denk dat dat de grootste reden is om mee te doen aan internationale
42 handel.

43 Ja dat is ook een beetje wat naar voren kwam tijdens mijn literatuur studie, als motieven om mee
44 te doen aan internationale handel.

45 Ja als je als Nederland als land kijkt dan zie je toch wel aan de geschiedenis dat wij erg veel baat
46 hebben gehad aan internationale handel, als je kijkt naar een paar eeuwen terug, dan zie je dat wij
47 heel veel van onze welvaart te danken hebben aan handel

48 Ja, en zeker als je een kleiner land bent dan kun je natuurlijk niet helemaal zelfvoorzienend zijn.
49 Je kan niet alles aan jezelf leveren wat andere landen ook hebben.

50 Precies

51 Denk je dat het in deze tijd belangrijk is voor een land om mee te doen aan internationale
52 handel?

53 Ja zeker wel. Er is best veel kritiek momenteel op globalisering en internationale handel en ik denk
54 zeker bij globalisering dat dit niet iets is waar je je als land van kan af kan sluiten zeg maar. Als je
55 je gaat afsluiten van internationale handel denk ik dat het economisch niet verstandig is dat je dat
56 echt gaat voelen in je economie. Ik denk dat het ook heel moeilijk zou zijn, zeker met internet
57 handel enzo. Je kunt je niet helemaal afsluiten, ik kan me dat gewoon niet voorstellen dat dat gaat
58 lukken. En dan is het nog de vraag, wil je bij dat proces betrokken zijn om nog invloed te kunnen
59 hebben op hoe we het managen of zeg je van nee ik doe helemaal niks en sluit me af, dan denk ik
60 toch dat het beter is om daarin je stem te laten horen.

61 Wat je net zei; er is veel kritiek op globalisering en een van de dingen die naar voren kwam
62 tijdens mijn literatuur onderzoek als argument om niet mee te doen aan internationale handel is
63 dat ja vaak ziet dat de grootste landen en de landen die het sterkst zijn zeg maar, die de meeste

64 macht hebben, dat die een beetje de baas zijn, ben je het daar mee eens? Of zeg je van nou dat
65 klopt helemaal niet?

66 Ja en nee. Nou je ziet bijvoorbeeld in de WTO wel dat de VS en de EU een beetje de motor zijn
67 achter de onderhandelingen, ook China en bepaalde Zuid Amerikaanse landen. En je ziet ook
68 steeds meer dat opkomende landen, soort van emancipatie doorgaan en steeds meer laten horen
69 wat zij denken. Dus het is zeker niet zo dat de VS en EU de baas zijn, maar dat ligt ook aan de
70 capaciteiten van de landen zelf, een land als Uganda heeft gewoon niet zoveel ambtenaren om het
71 maar even heel crue te zeggen, die naar al die vergaderingen kunnen en zich helemaal kunnen
72 inlezen in alle stukken en de EU en de VS hebben gewoon een veel groter apparaat wat dat betreft.
73 Dus dat scheel dan al enorm. Aan de andere kant zie je bijvoorbeeld bij de WTO één land één
74 stem, en dat is wel echt heel extreem zo. Als een land zijn hand opsteekt op het aller laatste moment
75 zegt ‘nee ik wil dit niet’ dan gaat het gewoon niet door, en dat is ook wel gebeurt, bijvoorbeeld in
76 Bali bij de MC 9 in 2013, dat was een Ministeriële Conferentie en daar is een akkoord bereikt over
77 handelsfaciliteiten, een akkoord binnen de WTO, en de conferentie heeft twee dagen langer
78 geduurd dan voorzien was omdat India op het laatste moment zei van ‘nee, om tot dat akkoord te
79 komen wil ik iets anders’ dat ging over voedselzekerheid. Dus daar is nog twee dagen over
80 onderhandeld om dat rond te krijgen voordat er een akkoord bereikt kon worden, en zelfs op dat
81 moment was er nog een land dat – volgens mij was het Ecuador of Venezuela – die zijn hand op
82 steekt en zegt ‘nee ik wil het niet’ dus die moest toen ook nog even de zaal uitgehaald worden, om
83 te bespreken ‘waarom wil je het echt niet?’. Iedereen zat al klaar om het feestje te vieren, maar als
84 Venezuela op dat moment had gezegd ik wil het niet dan was het ook echt niet doorgegaan. Het is
85 namelijk één land één stem. We zien dit bijvoorbeeld ook bij de bilaterale akkoorden met
86 ontwikkelingslanden. De zogenaamde EPA’s, ik weet niet of je dat kent?

87 Heb ik wel van gehoord ja.

88 Oke, ja dat is meer vanuit de EU de vraag over handelsakkoorden met ontwikkelingslanden. Dat
89 is een bilateraal akkoord dus dan moeten ze allebei moeten ze daar akkoord op geven. En we zien
90 ook dat het in sommige landen ook niet lukt om daar een akkoord te krijgen, dan komt dat akkoord
91 er ook gewoon niet. Grappig genoeg komt er dan heel veel druk op de EU om daar iets aan te doen
92 omdat het niet handelspreferentie is, maar die landen moeten natuurlijk ook hun parlement mee
93 krijgen en moeten ook daar achter staan en het implementeren. En dat heeft voor hun natuurlijk
94 ook wel verplichtingen. Dus je ziet wel, ze hebben daar wel keuze in of ze wel of niet mee willen
95 doen.

96 Oke, als je kijkt naar het voorbeeld wat je net benoemde over de WTO en dat India bijvoorbeeld
97 zegt ‘nee ik wil dit niet’ dus ik moet eerst nog iets anders onderhandelen, denk je dat het goed is
98 voor een land om zijn eigen belang op een 2^e plaats te zetten om dus zo’n gezamenlijk akkoord
99 te krijgen?

100 Het is natuurlijk altijd een onderhandeling, je krijgt niet altijd alles wat je wilt, dat is per definitie
101 zo in onderhandelingen. Je moet altijd geven en nemen. Maar ik denk dat er inderdaad voor
102 sommige vraagstukken, ik weet niet of handel daar precies een goed voorbeeld voor is, maar
103 bijvoorbeeld milieu, dan zul je toch echt af en toe pijn moeten lijden als land, je zult economische
104 maatregelen moeten nemen om zo de milieuvervuiling tegen te gaan. Om een probleem aan te
105 pakken dat je in je eentje niet kan aanpakken, dat is echt voorbeeld van een probleem dat moet je
106 echt internationaal aanpakken. En daar zul je zelf ook in je economie in moeten gaan snijden, maar
107 dat zal iedereen moeten doen. Dan heb je nog het probleem dat landen dit niet kunnen doen of er
108 niet de capaciteiten voor hebben om er veel aan te doen. Maar er zijn wel degelijk problemen
109 waarin je samen zult moeten werken, en dan ook pijnlijke maatregelen zult moeten nemen.

110 Denk je dat internationale samenwerkingen een natie/ land sterker maakt?

111 Internationale samenwerking in den brede zeg maar?

112 Ja

113 Ja zeker, zo’n probleem als milieu wat ik net noemde dat is niet iets wat je als land alleen kan
114 aanpakken. Dat geldt niet voor alle problemen, op sommige problemen zal je echt nationaal beleid
115 moeten gaan zetten. Maar ik denk ten algemene wel dat je er beter van word om samen te werken.
116 Ik denk dat de EU nu sterker is dan als 28 lidstaten alleen zouden zijn geweest. Dat absoluut.

117 Denk je dat het goed is dat een overheid de mogelijkheid om de complete controle te hebben
118 over de binnenlandse economie voor een deel opgeeft om mee te kunnen aan internationale
119 handel?

120 Ik denk uiteindelijk is een land een land en heeft een land altijd nog het hoogste beslis vermogen.
121 Kijk een land heeft altijd de mogelijkheid om te zeggen ik stap nu uit de WTO, of ik stap nu uit
122 de EU, VK die dit even heel duidelijk demonstreert. Je hebt altijd nog de keuze om te zeggen nee
123 ik wil dit niet. Maar voor verdere integratie voor handel is het inderdaad nodig om een deel op te
124 geven, dat hebben we in de EU ook gedaan. De EU is namelijk verantwoordelijk voor het
125 handelsbeleid. Dat doet af en toe heel erg veel pijn, omdat wij natuurlijk een heel open en liberaal
126 land zijn op handels gebied traditioneel gezien, maar wij zitten met 27 andere lidstaten om tafel,
127 dus er worden af en toe maatregelen genomen waar wij het pertinent niet mee eens zijn, maar toch
128 denk ik dat wij als verbond van 28 lidstaten betere handelsdeals kunnen sluiten met derden landen

129 en daar dus wel profijt van hebben, en zeker ook de interne markt dat we daar enorm veel profijt
130 van hebben. En daarvoor is het nodig dat we niet allemaal ons eigen beleid voeren, maar dat we
131 komen tot één gezamenlijk beleid. En dat kan alleen maar door een deel van je bevoegdheid op te
132 geven.

133 Wat zouden voor en nadelen van kunnen zijn van het opgeven van een deel van die
132 bevoegdheid?

133 Het nadeel is dat het beleid soms niet weerspiegelt wat je zelf zou willen zien. Een voorbeeld voor
134 anti-dumping is bijvoorbeeld; er is een zaak op zonnepanelen, dat is de grootste anti-dumping zaak
135 in de EU, waar een heleboel goedkope zonnepanelen uit China binnen kwamen, maar waardoor
136 de EU producenten in het nauw kwamen omdat zij niet mee konden komen met de concurrentie.
137 Dan kun je zeggen ; oké de EU producenten moeten efficiënter worden zodat ze meer mee kunnen
138 concurreren, of op de een of andere manier onderscheidend worden; door een betere kwaliteit te
139 bieden, dat is over het algemeen de Nederlandse insteek; concurrentie is goed. Maar voor andere
140 lidstaten die inderdaad arbeidsplaatsen verliezen omdat de producenten failliet gaan en niet mee
141 komen, doet dat natuurlijk heel veel pijn en die willen dan wel beschermende maatregelen. En
142 daarom zijn er beschermende maatregelen gekomen op de zonnepanelen. Wij vonden dat ook
143 jammer omdat zonnepanelen goed is voor de groene energie en ook hier werkgelegenheid bied
144 aan bijvoorbeeld installateurs. Zo zie je dus dat een EU maatregel pijn doet en af doet aan je eigen
145 beleidsdoelen, onze binnenlandse werkgelegenheid, de groene energiedoelstellingen. Maar daar
146 staat dan tegenover dat je inderdaad door het macro niveau en de tijd gezien met de EU
147 welvarender bent dan als 28 lidstaten en dat zie je aan de handelsverdragen waarin Nederland als
148 land alleen nooit zo'n goeie deal had kunnen krijgen als dat we met de EU gezamenlijk kunnen
149 bereiken. Dus er zijn absoluut voor en na delen. Ik denk wel, wat we politiek bijvoorbeeld heel erg
150 merken is dat er, kijk, het handelsbeleid is wel een stukje verder af komen te staan van de burgers,
151 terwijl ze wel de effecten heel erg voelen, bijvoorbeeld als een industrie niet mee komt in de
152 internationale concurrentie en daardoor moet sluiten en mensen op straat staan, dit zijn extreem
153 negatieve gevolgen van globalisering. Dat is wel iets wat je op nationaal niveau voelt en ook in de
154 nationale politiek moet verdedigen maar waar je niet perse als Nederland iets tegen kunt doen, dit
155 ligt namelijk op EU niveau. Je kunt dan natuurlijk wel nationale maatregelen nemen door die
156 mensen te proberen te her opleiden zodat ze ergens anders aan de slag kunnen. Maar daardoor,
157 voor de burger is er wel het gevoel ontstaan van we hebben er niks over te zeggen maar we
158 ondervinden wel de effecten ervan en dat is wel moeilijk en je merkt dat dat erg terug komt in het
159 debat. Ook de handelsakkoorden worden steeds groter, het gaat niet meer alleen over tarieven maar
160 het gaat ook over andere dingen zoals standaarden hoe je voedsel eruit ziet bijvoorbeeld. Daardoor

161 worden ze ook moeilijker te begrijpen, maar het komt wel heel dichtbij, het gaat namelijk over de
162 kip die op jou bord ligt vanavond. Waardoor het bij mensen wel een emotionele reactie teweeg
163 brengt, zonder dat ze precies weten waar het over gaat, wat er precies in die akkoorden staan. Dat
164 is natuurlijk ook heel logisch, die akkoorden zijn namelijk 1200 pagina's dus geen mens gaat dat
165 doorlezen, nouja wij wel. Waardoor het dialoog emotioneler word. Je ziet ook dat het draagvlak
166 minder word doordat het draagvlak emotioneler word terwijl het niet altijd duidelijk is waar het
167 precies over gaat. Er zit wel een discrepantie in, over wat mensen denken dat er in staat en wat er
168 daadwerkelijk instaat, en dan ook het gevoel van het komt heel dichtbij en het heeft heel veel effect
169 op mij maar ik heb er niks meer over te zeggen. Dat is wel iets waar we heel erg mee zitten, hoe
170 kunnen we dat nou veranderen. Een van de dingen die we steeds meer doen en waar ook steeds
171 meer inzetten is dat we meer in discussie gaan met burger maar ook met NGOs en ook met
172 bedrijven om te kijken 'waar zitten jullie nou precies mee?' en zien we dat inderdaad terug in die
173 akkoorden zo ja dan kunnen we dat natuurlijk in de EU dan opbrengen als we inderdaad zien er
174 staat iets in wat we niet willen. Dit betekend niet dat het dan veranderd word, want er zitten nog
175 27 andere lidstaten om tafel, maar goed dan kan je iets met die zorgen doen. Dus we zijn steeds
176 meer in discussie met mensen ook met gemeentes, er zijn namelijk ook steeds meer gemeentes die
177 opstaan 'wij willen een TTIP vrije zone' en dat soort dingen. Dus we proberen steeds meer die
178 dialoog aan te gaan, maar het is moeilijk om dat gevoel weg te nemen, het gevoel dat je heel erg
179 geraakt wordt en daar geen inspraak in hebt.

180 Denk je dat dat gevoel groter gaat worden naarmate de wereld meer globaliseert? Wat op dit
181 moment het geval is.

182 ja het is op zich geen nieuw verschijnsel, want het begin punt word vaak genoemd the battle of
183 Seattle in 1999 geloof ik, nouja eind jaren 90. Ook tijdens een Ministeriele Conferentie werden
184 hele battles op straat werden uitgevoerd door anti globalisten, en als je dan naar stukken uit die
185 tijd kijkt, en dan stukken die we nu zien en die dan naast elkaar legt dan is er nog steeds heel erg
186 duidelijk hetzelfde gevoel. Wat je wel ziet is dat er een golf in zit, als het ook iets beter gaat met
187 de economie dan neemt dat gevoel een beetje af, en nu gaat het weer wat slechter met de economie
188 en dan zie je dat het gevoel weer toeneemt. Ook de economische crisis die in Amerika begon en
189 daarna de hele wereld overging heeft dat gevoel versterkt. Het gevoel van; er gebeurd van alles
190 om me heen waar ik geen invloed op heb wat wel heel erg effect heeft op mijzelf. Dus ik ben dan
191 zelf wel zo cynisch om te denken dat op het moment dat het weer wat beter gaat met de economie
192 dan zal dat gevoel ook wel weer wat afnemen. Het word nu ook versterkt vind ik door de politiek,
193 door de verharding, en door het populisme in de politiek. Dus ik heb zelf wel de hoop dat het weer
194 wat minder word, maar dat gaat nog wel even duren.

195 Ik denk inderdaad ook dat dat nog wel even gaat duren. Het is inderdaad goed terug te zien dat
196 op het moment dat het goed gaat met de economie er een positiever gevoel ontstaat ten opzichte
197 van een overheid en als het wat slechter gaat met de economie dan worden mensen toch wat
198 paniekeriger.

199 Ja, dan ontstaan er de gevoelend van ‘vroeger was alles beter’

200 We hebben het er net ook al een klein beetje over gehad, maar wat kan internationale handel
201 precies bijdragen aan een staat?

202 Bedoel je Nederland of?

203 Niet perse Nederland, maar een land. In mijn scriptie heb ik het niet op Nederland gericht omdat
204 Nederland aangesloten is bij de EU en in de WTO werkt Nederland daarom onder de naam van
205 de European Communities wat het stukje van handelsverdragen net wat lastiger maakt om het
206 alleen op Nederland te bekijken. Daarom wilde ik kijken naar een land in het algemeen.

207 Naast het economische aspect waar we het eigenlijk al over hebben gehad, is er ook een deeltje
208 economische en politieke integratie. Naar mijn idee, doordat je economisch gezien meer integreert
209 door vrije handel dan heb je ook meer contact met elkaar, en doe je ook meer samen. En ik denk
210 dat dat politiek gezien ook meer stabiliteit bied en meer veiligheid en dat hebben we natuurlijk
211 ook in Europees verband gezien. Het werkt niet altijd, het is niet het beste plan voor alles. Maar ik
212 denk dat het wel een stukje stabiliteit en veiligheid kan bieden. En je kunt ook veel leren van het
213 buitenland, omdat er nieuwe technologieën binnenkomen. Maar ook de manier om dingen te doen,
214 bijvoorbeeld op het gebied van douane, dat je meer te maken hebt met de douane van een ander
215 land en dat je daar ziet van oké ik hoef niet al mijn goederen in een zak te stoppen om het de grens
216 over te krijgen, en dat het dan ook bespreekbaar word in je eigen land. Of dat je uitwisselingen
217 krijgt en dat je te maken krijgt met een andere manier van dingen doen, en dat je daardoor leert en
218 dat je daardoor een stukje governance meeneemt, of dit nu op bedrijfsniveau of persoonlijk is. Ik
219 denk in het algemeen dat je van internationale samenwerking heel veel leert en veel van kan
220 meenemen.

221 Iets wat vooral naar voren komt in het debat, over bijvoorbeeld het openstellen van grenzen, het
222 openstellen van vrije handel, is dat dat de soevereiniteit van staat daardoor minder wordt, wat
223 denk je dat de rol van soevereiniteit in de huidige samenleving is?

224 Op dit moment een stuk grotere rol door het gevoel waar we het net over hadden. Doordat er heel
225 veel effecten zijn dit je zelf niet in de hand hebt. Het tegenargument blijft voor mij toch altijd a)
226 we hebben de keuze om het niet te doen, dat is natuurlijk een hele rigoureuze beslissing maar we
227 zitten wel overal bij. De volksvertegenwoordiger zit overal bij in ieder geval. Ik denk dat in

228 Europees verband, .. doordat er een extra laag zit is het moeilijker om te zien wat er gebeurd maar
229 ik denk dat het vooral ook aan nationale lidstaten is om duidelijker te maken wat zij hebben gedaan
230 en wat zij hebben ingebracht en wat er gebeurd. De schuld word nu erg makkelijk op de EU
231 afgeschoven en dat vind ik niet altijd rechtvaardig. Maar wat was de vraag ook alweer precies?

232 Wat voor rol speelt soevereiniteit in de huidige samenleving?

233 Ja in het algemeen heb ik wel het gevoel dat er minder soevereiniteit is, minder beschikkingsrecht
234 eigenlijk. Maar overal hebben we bijgezet, we hebben onze soevereiniteit zelf overgedragen.
235 We hebben zelf de WTO gemachtigd om te zeggen van iets is niet goed. Het is een wel overwogen
236 beslissing geweest, en die zal je dan ook gewoon moeten gaan verdedigen. De globalisering gaat
237 gewoon door en daar kun je als staat niks, we kunnen er natuurlijk wel voor kiezen om het
238 handelsbeleid meer naar ons toe te trekken, maar dat betekent dat niet automatisch dat we meer
239 dicht gaan voor handel, misschien kunnen we juist wel opener handelsbeleid gaan voeren. Maar
240 dan gaat het moeilijk worden om dezelfde referentie in derden landen te krijgen. Dus je kunt daar
241 zeker nog een keuze in maken, waar je de bevoegdheid neerlegt. Wat mij betreft ligt die nu goed.
242 Maar het is ook een stukje communicatie en een stukje verantwoordelijkheid nemen op nationaal
243 niveau over wat er gebeurd, en duidelijk maken waar we wel invloed over hebben.

244 Denk je ook dat het goed is dat het een organisatie is die deze handelsakkoorden coördineert en
245 niet zozeer een land die daar de baas over is?

246 Ook bij de WTO zijn het de landen zelf die het een beetje coördineren, het is een organisatie die
247 door de leden gedreven word. Als de leden zeggen dit gaat te snel, dan moet de WTO op de rem
248 stappen. Maar ik snap wel wat je bedoelt, bij bijvoorbeeld geschillen dat er een organisatie is en
249 een vast punt is. En waarbij ook inderdaad een dispute settlement uitkomst gewicht heeft. En dat
250 het wel zeker meer bindend is. Wat bij bilaterale geschillen niet altijd het geval is. Daar heb je zelf
251 meer vrijheid om dat anders in te vullen. Ik denk wel dat het goed is dat er een multilateraal
252 organisatie is. Je hoort heel veel kritiek op de WTO, want het is niet meer relevant en dat soort
253 dingen. Ik denk dat dat volstrekt niet waar is. Qua onderhandelingen misschien wel, deze lopen
254 namelijk heel erg stroef en dat komt gewoon omdat er te grote verschillen zijn tussen landen en
255 wat er nodig is. Maar bijvoorbeeld regelgeving dat in het verleden is afgesproken en de dispute
256 settlement mechanisme is ontzettend relevant ook voor Nederland. Het genereert gewoon heel veel
257 baten daar ben ik van overtuigt, het disciplineert. Dus ik ben erg blij dat de WTO nog bestaat. Wat
258 we wel zien is dat omdat het in de WTO zo moeilijk is om met wat zijn het nu 100??

259

260

164

261 Om met 164 leden tot een akkoord te komen dat landen steeds vaker een bilateraal akkoord gaan
262 afsluiten. Het liefst op regionaal niveau waardoor je ook die spaghetti bal krijgt, weet niet of je het
263 plaatje kent, waarin alle bilaterale akkoorden worden weergegeven. Dat is eigenlijk niet wat we
264 zouden willen, het is ook voor bedrijven veel lastiger. Wij krijgen hier regelmatig bedrijven die
265 zeggen 'we weten echt niet meer hoe het zit, er zijn zoveel akkoorden waar we rekening mee
266 moeten houden'. Dit is gewoon niet meer te overzien. Maar je ziet wel dat het gebeurt, en
267 gedeeltelijk is dan omdat de WTO een beetje stilstaat qua handelsakkoorden. Sommige landen
268 willen gewoon op een sneller niveau verder en een hoger niveau que liberalisering dan andere
269 landen. En gedeeltelijk is het denk ik ook dat je meer zelf de invulling eraan kunt geven.

270 Je benoemde net het dispute settlement mechanism wat vind je er van dat zij sancties kunnen
271 opleggen zodat een land zijn eigen wetgeving aanpast?

272 Ook dat is iets waar we allemaal bij hebben gezeten toen dat besloten is. We hebben dat allemaal
273 wel overwogen toen het werd bedacht en we hebben allemaal gezegd 'we zijn daarmee akkoord'.
274 We hebben daar ook veel baat bij, en de EU is bijvoorbeeld ook een van de landen die het vaakst
275 naar hun toe stapt, daar moeten we ook eerlijk over zijn. We moeten niet alleen naar de negatieve
276 kanten kijken maar ook naar de positieve kanten. Ik denk dat het vanuit de WTO een hele slimme
277 zet is geweest om het inderdaad bindend te laten maken, het is niet altijd even bindend. Je kan als
278 land altijd remedie zoeken en dan kan je nog in overleg gaan met het andere land, van is de remedie
279 effectief? En als het niet zo is dan pas kan je tegen maatregelen verwachten. Ik vind het ook wel
280 erg meevallen in hoeverre de WTO zegt; de wetgeving die je afsluit is niet goed, ze zeggen vaak
281 niet je moet hem helemaal afsluiten want het is dusdanig slecht maar je moet hem zo inrichten dat
282 het zo min mogelijk handelsbeperkend is. En dat is wel iets anders dan zeggen het is fout. Dus je
283 moet hem aanpassen en niet perse terugtrekken. Dit is op zich wel goed, het werkt disciplinerend.
284 Je wilt natuurlijk ook niet dat landen allemaal rare maatregelen gaan nemen die de handel kunnen
285 beperken onder het motto van het publieke moraal. Maar het steekt wel af en toe een beetje
286 natuurlijk. Er is op dit moment ook een discussie gaande om te kijken naar wat de mogelijkheden
287 zijn om de grenzen binnen de WTO een beetje op te zoeken.

289

290 Zou de staat altijd de hoogste autoriteit moeten hebben om een wet te kunnen implementeren?

291 Ja, in principe hebben ze dat ook. Dat is mijn argument, je kunt altijd overal uitstappen. En je bent
292 altijd overal bij. Maar ik vind het wel goed dat we collectief hebben afgesproken dat we bepaalde
293 disciplines hebben en als we zeggen we gaan voor vrije handel dat we het niet alleen maar zeggen
294 maar ook echt gaan doen. Dus als we wetgeving maken die inbreuk maken op vrije handel dat we

295 goed moeten nadenken over hoe we dat gaan doen. En dat er goed gekeken word naar de juiste
296 balans. Enige disciplineren vind ik wel goed. Maar in ieder land, heeft eigen regering de hoogste
297 autoriteit. Uiteindelijk is de beslissing echt altijd aan hun.

298 Nou, dat waren mijn vragen, ik weet niet of je er nog iets aan wilt toevoegen? Iets waarvan je
299 denkt, dit schiet me te binnen dit is misschien nog van toegevoegde waarde?

300 Nee, op dit moment niet. Ik vind het wel heel interessant, dus ben wel benieuwd naar je scriptie.

301 Als hij af is kan ik hem wel weven doorsturen als je dat leuk vind?

302 Dat zou ik heel leuk vinden. Als je nog andere vragen hebt laat het dan even weten.

303 Ja, zal ik doen. Bedankt dat je de tijd hebt genomen om met mij te praten over dit onderwerp.

Industry representatives – Member of the WTO

August 16, 2016. Conducted through E-mail

1 Thank you for agreeing to take part in this interview about trade openness. Today I will be
2 gaining your thoughts and opinions in order to determine the perspective of a professional. Be
3 assured that all answers you provide will be used only for the purpose of this thesis. Your name
4 and profession will not be displayed in the thesis.

5 To start, what could be a reason for a state to engage in international trade?

6 First, assurance. Consumers and producers know that they can enjoy secure supplies and greater
7 choice of the finished products, components, raw materials and services that they use. Producers
8 and exporters know that foreign markets will remain open to them. International trade also aims
9 for a more prosperous, peaceful and accountable economic world. Virtually all decisions in the
10 WTO are taken by consensus among all member countries and they are ratified by Members'
11 parliaments. Trade friction is channeled into the WTO's dispute settlement process where the focus
12 is on interpreting agreements and commitments, and how to ensure that countries' trade policies
13 conform with them. That way, the risk of disputes spilling over into political or military conflict
14 is reduced. By lowering trade barriers, the WTO's system also breaks down other barriers between
15 peoples and nations.

16 At the heart of the system, which is known as a multilateral trading system, are the WTO's
17 agreements, negotiated and signed by a large majority of the world's trading nations, and ratified
18 in their parliaments. These agreements are the legal ground-rules for international commerce.
19 Essentially, they are contracts, guaranteeing member countries important trade rights. They also
20 bind governments to keep their trade policies within agreed limits to everybody's benefit. The
21 agreements were negotiated and signed by governments. But their purpose is to help producers of
22 goods and services, exporters, and importers conduct their business.

23 The goal is to improve the welfare of the peoples of the member countries. Since the Second World
24 War, tariffs on industrial products have fallen steeply and now average less than 5% in industrial
25 countries. During the first 25 years after the war, world economic growth average about 5% per
26 year, a high rate that was partly the result of lower trade barriers. World trade grew even faster,
27 averaging about 8% during the period.

28 Could you elaborate a bit about the role of the World Trade Organization in international trade?

29 The World Trade Organization (WTO) is the only international organization dealing with the
30 global rules of trade between nations. Its main function is to ensure that trade flows as smoothly,
31 predictably and freely as possible.

32 Trade negotiations: the WTO agreements cover goods, services and intellectual property. They
33 spell out the principles of liberalization, and the permitted exceptions. They include individual
34 countries' commitments to lower customs tariffs and other trade barriers, and to open and keep
35 open services market. They set procedures for settling disputes. These agreements are not static;
36 they are renegotiated from time to time and new agreements can be added to the package. Many
37 are now being negotiated under the Doha Development Agenda, launched by WTO trade ministers
38 in Doha, Qatar, in November 2001.

39 Implementation and monitoring: WTO agreements require governments to make their trade
40 policies transparent by notifying the WTO about laws in force and measures adopted. Various
41 WTO councils and committees seek to ensure that these requirements are being followed and that
42 WTO agreements are being properly implemented. All WTO members must undergo periodic
43 scrutiny of their trade policies and practices, each review containing reports by the country
44 concerned and the WTO secretariat.

45 Dispute settlement: the WTO's procedure for resolving trade quarrels under the Dispute Settlement
46 Understanding is vital for enforcing the rules and therefore for ensuring that trade flows smoothly.
47 Countries bring disputes to the WTO if they think their rights under the agreements are being
48 infringed. Judgements by specially appointed independent experts are based on interpretations of
49 the agreements and individual countries' commitments.

50 Building trade capacity: WTO agreements contain special provision for developing countries,
51 including longer time periods to implement agreements and commitments, measures to increase
52 their trading opportunities, and support to help them build their trade capacity, to handle disputes
53 and to implement technical standards. The WTO organizes hundreds of technical cooperation
54 missions to developing countries annually. It also holds numerous courses each year in Geneva
55 for government officials. Aid for Trade aims to help developing countries develop the skills and
56 infrastructure needed to expand their trade.

57 Outreach: the WTO maintains regular dialogue with non-governmental organizations,
58 parliamentarians, other international organizations, the media and the general public on various
59 aspects of the WTO and the ongoing Doha negotiations, with the aim of enhancing cooperation
60 and increasing awareness of WTO activities.

61 The World Trade Organization works with the Trade Policy Review Mechanism to review trade
62 policies of Members, could you tell me something about this process? Why is an mechanism
63 such as the Trade Policy Review mechanism part of the World Trade Organization?

64 Surveillance of international trade policies is a fundamentally important activity running
65 throughout the work of the WTO. At the center of this work is the Trade Policy Review Mechanism
66 (TPRM).

67 The reviews take place in the Trade Policy Review Body which is actually the WTO General
68 Council – comprising the WTO's full membership – operating under special rules and procedures.
69 The reviews are therefore essentially peer-group assessments, although much of the factual leg-
70 work is done by the WTO Secretariat.

71 Reviews are conducted by the Trade Policy Review Body (TPRB) on the basis of a policy
72 statement by the Member under review and a report prepared by economists in the Secretariat's
73 Trade Policy Review Division.

74 The TPRBs debate is stimulated by two discussants, selected beforehand for this purpose.

75 In preparing its report, the Secretariat seeks the cooperation of the Member, but has the sole
76 responsibility for the facts presented and views expressed.

77 The reports consist of detailed chapter examining the trade policies and practices of the Member
78 and describing trade policymaking institutions and the macroeconomic situation; these chapters
79 are preceded by the Secretariat's Summary Observations, which summarize the report and presents
80 the Secretariat's perspective and the Member's trade policies. The Secretariat report and the
81 Member's policy statement are published after the review meeting, along with the minutes of the
82 meeting and the text of the TPRB Chairperson's Concluding Remarks delivered at the conclusion
83 of the meeting

84 Much has been written outside the WTO about the TPRM and additions to the list of the TPRM-
85 related publications are invited.

86 What is the reason begin the establishment of the Trade Policy Review Mechanism?

87 The Trade Policy Review Mechanism was an early result of the Uruguay Round, being
88 provisionally established at the Montreal Mid-Term Review of the Round in December 1988.
89 Article III of the Marrakesh Agreement, agreed by Ministers in April 1994, placed the TPRM on
90 a permanent footing as one of the WTO's basic functions and, with the entry into force of the
91 WTO in 1995, the mandate of the TPRM was broadened to cover services trade and intellectual
92 property.

93 The objectives of the TPRM, as expressed in Annex 3 of the Marrakesh Agreement, include
 94 facilitating the smooth functioning of the multilateral trading system by enhancing the
 95 transparency of Members' trade policies.

96 All WTO Members are subject to review under the TPRM. The Annex mandates that the four
 97 Members with the largest shares of the world trade (currently the European Communities, the
 98 United States, Japan and China) be reviewed each two years, the next 16 be reviewed each four
 99 years, and others be reviewed each six years. A longer period may be fixed for least-developed
 100 country Members.

101 In 1994, flexibility of up to six months was introduced into the review cycles, and in 1996 it was
 102 agreed that every second review of each of the first four trading entities should be an "interim"
 103 review.

104 How are the Agreements made of the World Trade Organization? What role do states have in the
 105 decision making process of the Agreements of the World Trade Organization?

106 The WTO provides a forum for negotiating agreements aimed at reducing obstacles to
 107 international trade and ensuring a level playing field for all, this contributing to economic growth
 108 and development. The WTO also provides a legal and institutional framework for the
 109 implementation and monitoring of these agreements, as well as for settling disputes arising from
 110 their interpretation and application. The current body of trade agreements (to which all WTO
 111 members are parties) and two different Plurilateral agreements (to which only some WTO
 112 members are parties).

113 The WTO currently has 164 members, of which 117 are developing countries or separate custom
 114 territories. WTO activities are supported by a Secretariat of some 700 staff, led by the WTO
 115 Director-General. The Secretariat is located in Geneva, Switzerland, and has an annual budget of
 116 approximately CHF 200 million (\$180 million, €130 million). The three official languages of the
 117 WTO are English, French and Spanish.

118 Decisions in the WTO are generally taken by consensus of the entire membership. The highest
 119 institutional body is the Ministerial Conference, which meets roughly every two years. A General
 120 Council conducts the organizations business in the intervals between ministerial Conferences.
 121 Both of these bodies comprise all members. Specialized subsidiary bodies (Councils, Committees,
 122 Sub-committees), also comprising all members, ministers and monitor the implementation by
 123 members of various WTO agreements.

124 The countries queuing up to join the WTO, from the most populous (China) and the largest
 125 physically (Russia) to the tiny Andorra, are proof that a significant part of the world believe that

126 their economic future lies in the WTO system. And opinion polls suggest that the public in the US
127 and elsewhere are in favour of freer trade even if they have reservations about some aspects.
128 The WTO dispute settlement system's rulings are based on agreements that all parties in a dispute
129 have agreed to. The sanctions are not imposed by the WTO, but by the country winning the case.
130 The agreements include countless provision allowing governments to take public interest into
131 account. The agreements are also the result of negotiations in which all governments pursued what
132 they saw as the interests of their public. If their view of public interest changes, they are completely
133 free to seek to amend the agreements.

134

135 Thank you for taking time out to participate in this interview, I truly value the information that
136 you have provided. Kind regards, Anouk Bruinsma

