

Impact case study (REF3b)

<p>Institution: University of Cambridge</p>
<p>Unit of Assessment: UoA21</p>
<p>Title of case study: Managing the changing role of rising powers and smaller developing countries in the global political and economic system</p>
<p>1. Summary of the impact (indicative maximum 100 words)</p> <p>Amrita Narlikar has made a systematic analysis of developing countries' coalition and bargaining strategies in the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO) which has provided practitioners with an analytic toolkit to navigate complex political economy issues. Key negotiators refer to this work as they develop their coalition strategies, thus helping with the empowerment of developing countries. Expert attempts to reform the WTO have utilised the institutional analysis conducted. The value of the research is recognized by practitioners from developing countries and by others aiming to resolve multilateral deadlocks.</p>
<p>2. Underpinning research (indicative maximum 500 words)</p> <p>Dr Amrita Narlikar has been a member of the Department of Politics and International Studies (POLIS) at the University of Cambridge since 2004, and has held the positions of Lecturer (2004-2009), Senior Lecturer (2009-2011) and Reader (since 2011). Her research goes back to 1996 and has developed significantly during her time in Cambridge. It began as an enquiry into a fundamental theoretical, empirical, and policy problem: how do states choose their allies in international trade? Even though trade is traditionally regarded as a positive-sum game, it is an area where cooperation has proven difficult to achieve. The first phase of this research (1996-2006; aspects of this research continue to date) focused on bargaining coalitions of developing countries in the GATT and the WTO. Unlike in some other international organizations, coalitions here did not enjoy formal recognition, sometimes operating even as secret societies at the time. The research provided a theoretical categorisation of coalitions, and offered policy prescription on which types of coalition strategies were likely to be most effective, especially for developing countries, and why. The research findings, published as a book and several papers, have stimulated a large and growing body of scholarship on coalition and bargaining strategies in the trade regime as well as other multilateral organizations</p> <p>The second phase of this research (2004 – to date) took the author into a study of the institution wherein these coalitions were operating i.e. the WTO. Her works engaged with often heated public debates regarding international trade and were frequently used as authoritative analytical guides to shape such debates. It offered a case for free trade with acknowledgements of the glaring institutional challenges in trade governance (refs. i and ii). Her works are a primary reference point for all scholars seeking to understand the WTO. Taken together, her publications on this subject have raised questions about accountability, legitimacy, fairness and power in the WTO.</p> <p>Understanding the challenges of the multilateral trading system has been enhanced by the third phase of this research (2007 – to date), pertaining to multilateral deadlocks and power transition. Narlikar led an interdisciplinary team to address the problem of deadlocks in multilateral negotiations and offered a solution. Towards this, she came up with a theory on the causes of deadlock, which was applied by historians, economists, lawyers and political scientists across multiple issue areas (ref. iii). Narlikar simultaneously worked on a related project on rising powers (in part funded by the Nuffield Foundation and including co-authored and single-authored work in the form of papers and a book). The findings of these studies offer new insights into the opportunities that rising powers generate for the system but also the costs (that include a greater proclivity of the system to deadlock).</p>
<p>3. References to the research (indicative maximum of six references)</p> <p>i. Narlikar, Amrita. 2005. <i>The World Trade Organization: A Very Short Introduction</i>, Oxford:</p>

Impact case study (REF3b)

- Oxford University Press. (Translated into Chinese and Arabic, and available as an audio book).
- ii. Narlikar, Amrita and John Odell. 2006. 'The Strict Distributive Strategy for a Bargaining Coalition: The Like Minded Group in the World Trade Organization'. In John Odell (ed), *Negotiating Trade: Developing Countries in the WTO and NAFTA*. Cambridge: Cambridge University Press.
 - iii. Narlikar, Amrita (ed). 2010. *Deadlocks in Multilateral Negotiations: Causes and Solutions*. Cambridge: Cambridge University Press.
 - iv. Narlikar, Amrita. 2010. *New Powers: How to Become One and How to Manage Them*. London: New York: Colombia University Press, London, Hurst.
 - v. Narlikar, Amrita. 2010. 'New Powers in the Club: The Challenges of Global Trade Governance.' *International Affairs*, 86(3). May. pp. 717-728.(Reprinted in Carolyn Deere-Birkbeck ed., *Making Global Trade Governance work for Development*. Cambridge: Cambridge University Press. 2011).
 - vi. Narlikar, Amrita, Martin Daunton and Robert Stern. 2012. *The Oxford Handbook on the World Trade Organization*. Oxford: Oxford University Press.

The third phase of this research has been supported in part by research grants including the Nuffield Foundation Project (£119,892, with Professor Andrew Hurrell) and the Volkswagen Foundation grant to study the impact of rising powers on global energy governance (Lead Project Partner: University of Darmstadt; Cambridge share of funding: €65,000; project runs from 2012 to 2014).

4. Details of the impact (indicative maximum 750 words)

The impact of the research is most directly evident in coalition formation. Phase 1 of the research had offered a theoretical distinction between coalitions and also policy prescription on the efficacy of particular types of coalition strategies. The last ten years have revealed the growing strength of the collective bargaining efforts by developing countries in the WTO via new coalitions. These coalitions reflect the characteristics that the research had alerted scholars and practitioners to. That this reflection is more than a coincidence is evident in the explicit reference that trade negotiators make to this research. Negotiators from key developing countries have – in their written works – utilised and built on the research to better understand and implement their coalition strategies. Instances include: (a) In 2008, a Mexican trade negotiator utilised Narlikar's definitions and analysis of coalitions to assess coalition performances of developing countries (see **source i**, below); (b) In 2011, the South African Ambassador to the WTO utilised Narlikar's research on coalitions as the basis for his assessment of the NAMA-11 coalition's effectiveness (**sources ii and iii**); (c). In 2012, a Brazilian diplomat cited Narlikar's analysis as having influenced his view of multilateral negotiations processes (**source iv**). He has since written that "Dr Narlikar's analysis of coalitions and multilateral negotiations in agriculture trade, particularly her insights on power positions and coalition strategies and resilience, was instrumental in giving theoretical understanding for the management of the G-20 coalition led by Brazil and its strategy in the WTO Doha Round negotiations" (**source v**). Moreover the official history of the WTO (published in 2013 with the backing of the Director-General of the organization) cites and acknowledges Narlikar's work on coalitions and the institution (**source vi**).

The indirect impact of the research has been to accord recognition to coalitions in the WTO, thereby resulting in a striking turnaround from policy from the days of the GATT and the early years of the WTO (when coalition bargaining was referred to as an almost unseemly activity more appropriate to the domain of the United Nations Conference on Trade and Development - UNCTAD). Today coalitions form the heart of WTO diplomacy. They find recognition on the official website where many are listed, and also in Director General Pascal Lamy's "concentric circles" model of decision-making where representatives of different groupings are included. The responsiveness of the organization to coalitions is at least indirectly influenced by this research, given that the coalitions themselves have become more visible and effective by applying some of the findings. Again, *The History of the WTO* acknowledges the relevance and value of this analysis (**source vi**).

International organizations, particularly the WTO, have utilised the findings of Phase 2 of the research. The first Warwick Commission on the reform of the multilateral trading system utilized Narlikar's research and also invited her to serve as a Commissioner (Report launched in December 2007, discussions of report in 2008). The resulting Warwick Commission Report (**source vii**) has been widely cited by practitioners for its recommendations as a realistic and optimistic way forward for the multilateral trade negotiations. Two examples are worthy of note. Simon Crean, the Australian Minister of Trade, in a speech to the Australian Parliament, addressed the Report extensively while praising the Commission's recommendations with explicit willingness to implement them (**source viii**). Patrick Low, the WTO chief economist, has also used the Report in a WTO working paper as a model for future decision-making in the WTO (**source ix**). The official history of the WTO (**source vi**) also cites Narlikar's work of 2006 and 2012 on the organization.

The third phase is also generating impact. The European Parliament recently conducted an expert consultation on a different institutional approach to resolving the current trade deadlock (in response to a US-led attempt to facilitate a services "plurilateral"). Narlikar served as an expert witness, and was asked particularly to focus on the response of the rising powers to the alternative approach and suggest common ground for compromise; the information gathered at the consultation is meant to help formulate European Union positions and strategies at international trade negotiations in May 2012 (**source x**). Furthermore, Narlikar's analyses of institutional reform have been used as a reference point by various organizations, reform commissions, NGOs, and professional training programmes.

Related to this third phase are the activities of the Centre for Rising Powers, an interdisciplinary research centre based at POLIS, with Narlikar as the founding Director. A recent and on-going example of the impact of the CRP research agenda on policy policy is Narlikar's discussion on the potential establishment of a BRICS (Brazil, Russia, India, China, and South Africa) Development Bank. *The Financial Times* in September 2012 (**source xi**) was among the first to rely on Narlikar's expertise to assess this potentially ground-breaking cooperative bank among rising powers. Jim O'Neill of Goldman Sachs, who was the first to coin the acronym BRICs, has publicly acknowledged her foresight on this issue (**source xii**).

5. Sources to corroborate the impact (indicative maximum of 10 references)

- i. 'Trade Negotiations Make Strange Bedfellows', Mateo Diego-Fernandez (Mexican Competition Commission), April 2008, *World Trade Review*, 7(2), pp. 423-453. (A Mexican trade negotiator utilises Narlikar's definition and analysis of coalitions to assess coalitions and bargaining of developing countries in the WTO negotiations.)
- ii. "Developing Country Coalitions in the WTO Doha Round: The NAMA 11", Faizel Ismail (Head of the South African Delegation to the World Trade Organisation). CRP Working Paper #2. May 2011. (The South African Ambassador to the WTO utilises the research on coalition as the basis for his assessment of the NAMA-11 coalition effectiveness.)
- iii. Personal testimonial from contact 1 (South African Ambassador & Head of the South African Delegation to the World Trade Organisation), dated 20 August 2013.
- iv. 'The Geopolitics of Multilateralism: The WTO Doha Round Deadlock, the BRICs, and the Challenges of Institutionalised Power Transitions' (Brazilian Diplomat – Embassy of Brazil to China. Former Brazilian WTO Doha Round Negotiator) CRP Working Paper #4. January 2012. (Braz Baracuhy confirms how Narlikar's analysis has impacted his view of multilateral negotiations (p. 8)).
- v. Personal testimonial from contact 2 (Brazilian diplomat – Embassy of Brazil to China. Former Brazilian WTO Doha Round Negotiator) dated 2 September 2013.
- vi. Van Grastek, Craig. 2013. *The History and the Future of the WTO*, Geneva: WTO. http://www.wto.org/english/res_e/publications_e/historyandfuturewto_e.htm (The study was sponsored by the WTO and represents the organization's official history. It makes use of Narlikar's work on coalitions and the institution (Narlikar and Odell 2006, Narlikar 2012) – see for example pp 92, 93, 95, 97.)
- vii. Warwick Commission Report and list of Commissioners accessible on

- <http://www2.warwick.ac.uk/research/warwickcommission/worldtrade/>
- viii. 'Australia's Role in Addressing the Future of the Multilateral Trading System', Speech by the Australian Minister of Trade, The Honourable Simon Crean MP. April 2008 Found at: http://www.trademinister.gov.au/speeches/2008/080408_multilateral_system.html (Simon Crean addresses extensively the findings and recommendations of the Warwick Commission on the World Trade Organisation. He praises the Commission, endorsing its recommendations and indicating a willingness to implement them.)
- ix. 'WTO Decision-Making for the Future', Patrick Low, Staff Working Paper ERSD-2011-05, WTO, Economic and Statistics Research Division. Found at: www.wto.org/english/res_e/reser_e/ersd201105_e.pdf (The chief economist of the WTO, Patrick Low, identifies the Warwick Commission as one of the three major commissions on the WTO, and uses some of its recommendations to develop a model for future decision-making in the organization.)
- x. 'The Future of the WTO and the International Trading System', a Workshop report hosted by the European Parliament. July 2012. Found at: <http://www.europarl.europa.eu/committees/en/studiesdownload.html?languageDocument=EN&file=75155> (The author was invited to provide expert analysis on the international trading system as a part of an expert panel in remarks titled 'The Role of the WTO in a Rapidly Changing International Economic Order' for the European Parliament.)
- xi. 'A Bank of and for the BRICs is in the air', Henry Mance, *The Financial Times*, 23 September 2012. (A newspaper article in which the author and the Centre for Rising Powers are cited in regards to the concept of BRIC (Brazil, Russia, India, China), and the potential cooperative bank among the rising powers.): <http://www.ft.com/cms/s/0/63400496-024f-11e2-8cf8-00144feabdc0.html#axzz2hJVD43Us>
- xii. 'Is there method in the madness?', Jim O'Neill (Chairman, Goldman Sachs Asset Management), *Viewpoints*, 2 April 2013. Found at: <http://www.emergingmarkets.me/2013/04/goldman-sachs-comment-is-there-method-in-the-madness/> (Jim O'Neill acknowledges the accuracy of Narlikar's predictions on the BRICS Development Bank in the aftermath of the BRICS Summit, Durban, 2013.)